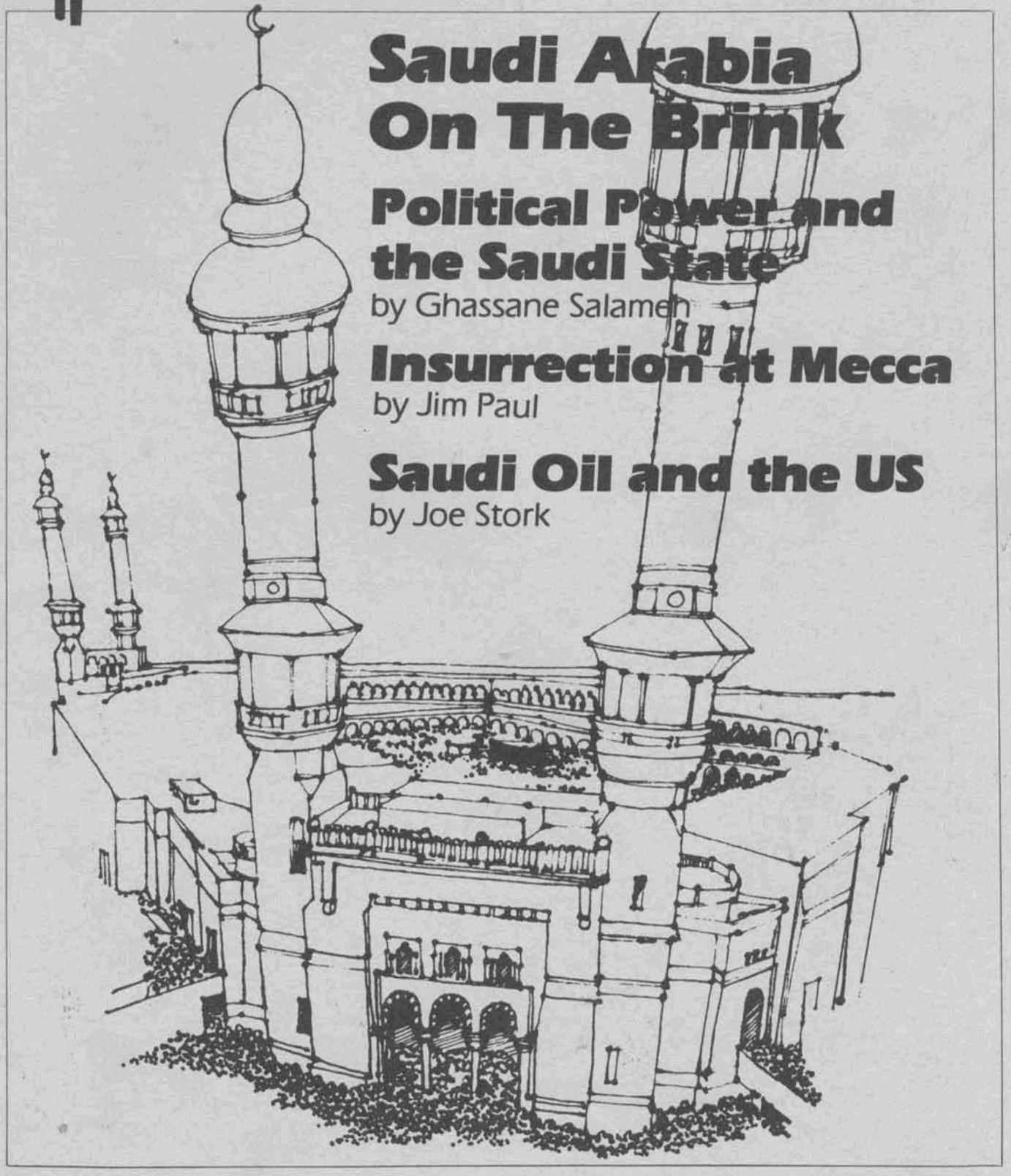
MERIP REPORTS
Middle East Research & Information Project



Saudi Arabia On The Brink

Political Power and the Saudi State
by Ghassane Salamen

Insurrection at Mecca
by Jim Paul

Saudi Oil and the US
by Joe Stork

No. 91/October 80

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Middle East Research & Information Project

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We encourage the submission of manuscripts and photographs relevant to MERIP's focus on the political economy of the contemporary Middle East, the role of imperialism, and the popular struggles in the region. This includes general theoretical contributions relevant to these issues and substantive articles connecting politics in the industrialized capitalist countries and developments in the Middle East. Letters to the editors are welcome. We also would like to receive interviews, reviews, unusual documents and data. All manuscripts must be typed and preferably submitted in duplicate. An information style sheet for authors is available upon request.

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Saudi Arabia On the Brink

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From the Editors:

The United States relationship with Saudi Arabia is exceptional. In no other country is the US interest so concentrated in the economic sphere. Preserving and expanding US access to Saudi oil increasingly defines US policy in the Middle East, from Iran and Afghanistan to Egypt and Israel. Yet, for all its importance, extraordinarily little critical information or analysis of developments in the Saudi kingdom are available in the US media. The most quoted US "experts" are little better than public relations agents for the royal family.

In this setting, we are very pleased to be able to publish the work of Ghassane Salameh. Although written before the events in Mecca last November, Salameh's careful look at the institutionalization of Saudi power enables us to comprehend the transformation of a family's tribal hegemony into the apparatus of a modern state. Salameh avoids facile assumptions about the fragility of the regime, but at the same time conveys the scope and pace of tremendous external and internal pressures contributing to its present condition. We regret that considerations of space prevented us from publishing the first part of Salameh's original study, which looked at the pre-1953 period in more detail.

Salameh argues in his conclusion that radical political change in Saudi Arabia depends on the capacity of the opposition to exploit important differences within the royal family. An accompanying article by Joe Stork observes that Saudi relations with the US are the object of growing contention within the regime, and paradoxically may be a major source of the instability which Washington fears. The strange spectacle of the CIA predicting the imminent downfall of the current leadership, while the Pentagon prepares for military intervention to prop it up, reflects the contradictions in the relationship from the US side.

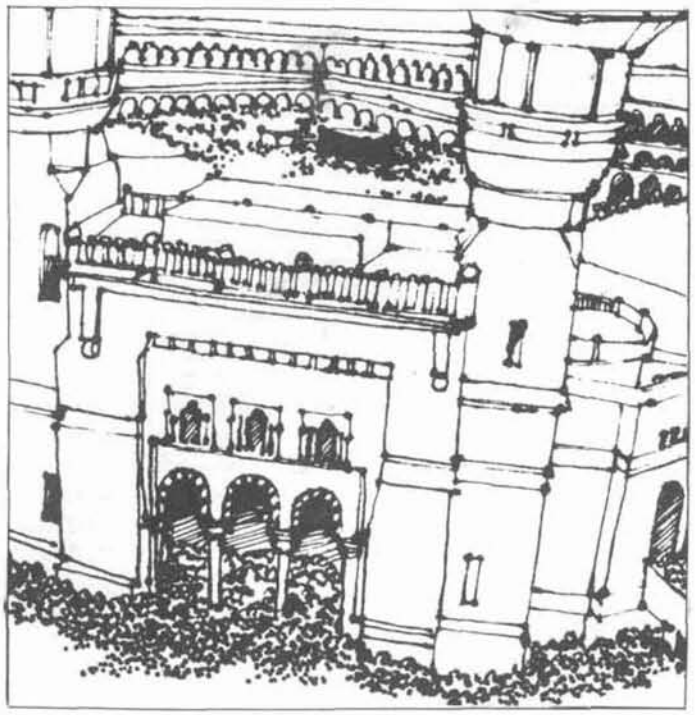
We would like to call our readers' attention to the announcement on page 22 concerning the annual meeting in November of the Alternative Middle East Studies Association. Several MERIP editors and contributors are actively involved in AMESS, and will be among those presenting discussion papers at this year's meeting. If you are in the Washington, D.C. area, or are coming for the concurrent Middle East Studies Association meeting, please plan to attend the AMESS program.

France and the US, the two Western countries most actively engaged in the Middle East today, have both recently taken measures to limit critical information and analysis of developments in the region and the rest of the third world. The French government moved in the summer to expel Simon Malley, the Egyptian-born founder and editor of **Afrique-Asie** who has lived in Paris for many years. Since 1972, this influential left-wing magazine, widely circulated in French-speaking Africa and the Arab world, has been an important source of news and views of national liberation struggles in Africa and the Middle East. The French refusal to renew residence permits for Malley and his family has stirred opposition from the French left and scores of African and Asian governments.

The US government, for its part, is on the verge of completing legislation which would make it a crime to publish the names of CIA agents and activities, or information leading to such disclosures. The legislation is designed to eliminate **Covert Action Information Bulletin** and **Counterspy**, two journals which focus on the US intelligence network. But legislation now pending in Congress would allow the government to presecute **any** media disclosures, even if based on already public information. **Counterspy** has just published a concise analysis of the 1953 **coup** in Iran, based on the private papers of former CIA chief Allen Dulles. It is available for 50 cents from PO Box 647, Ben Franklin Station, Washington DC 20044. **Covert Action**, which plans to challenge the legislation in court once it is passed, has just put out an excellent issue focused on US destabilization activities in Jamaica, Guyana, and the Caribbean. It is available for $2 from CAIB, PO Box 50272, Washington, DC 20004.

The Coalition for US-Iran Understanding has been organizing activities to commemorate significant dates in the Iranian people's struggle against the Shah. Demonstrations are planned in October to head off any US military intervention along the lines publicized recently by columnist Jack Anderson. The Coalition's head office is c/o Minnesota CALC, 122 West Franklin Ave., Minneapolis, MN 55404; tel: (612) 871-8033. Readers in the Detroit area may want to contact the Committee to Support the Revolution in Iran, c/o Wayne State University, SCB Box 95, Detroit, MI 48202; tel: (313) 554-0352. The Union of Iranian Students in the US, at PO Box 744, Berkeley, CA 94701, is distributing English-language materials of the **Peykar** organization in Iran.

In our continuing effort to expand our readership and circulation, we are undertaking a campaign to get MERIP into every possible university library. We estimate that at least 200 of our subscribers are associated with institutions not presently subscribing to **MERIP Reports.** We would appreciate your efforts to have your library subscribe soon. Community and municipal libraries should also be encouraged to subscribe. For further information, contact our New York office.



Insurrection at Mecca

by Jim Paul

On November 20, 1979, the first day of Islam's 15th century, 50,000 pilgrims in the Great Mosque of Mecca had just finished the first prayer as dawn was breaking. The blare of a loudspeaker jarred the stillness, as a voice began reciting the Koran. Soon the same voice began to denounce the Saudi regime, and announced the arrival of a *Mahdi* (savior) to cleanse a corrupt Arabia.*

The faithful sat thunderstruck. Hundreds, perhaps a thousand of the *Mahdi*'s followers, including some women and children, emerged from the midst of the crowd to take charge. Equipped with walkie-talkies, machine guns and automatic rifles, they bolted shut the main doors and took up positions of defense. Some stood guard on the seven minarets. Others positioned themselves along the parapets and upper windows of the huge structure.

When the Saudi authorities became aware of what was happening, they rushed army units as well as police and National Guard to the scene. By mid-morning, the mosque was surrounded. The troops tried to advance, but could make little headway against fierce fire from the insurgents within.

The extent of the insurrection was threatening. News came from Medina of an attempt to seize the Prophet's Mosque there, and there were reports of disturbances elsewhere in the kingdom. The ruling family was ill-prepared. Crown Prince Fahd was in Tunis for an Arab summit meeting. Prince Abdullah, head of the National Guard responsible for protecting the royal family and the oil fields, was in Morocco. Ailing King Khaled ordered his brothers Prince Sultan and Prince Nayef, the Ministers of Defense and Interior, to take charge. They hurried from Riyadh to Mecca to direct the military operations.

Uncertain about the extent or the source of the insurrection, the princes immediately contacted key foreign allies, ordered Mecca sealed off, and cut all communications within the kingdom. In all the main cities, troops cleared and patrolled the streets.

The princes faced several dilemmas. The Great Mosque, a special responsibility of the Saud family, should not be damaged. It was still filled with pilgrims—some perhaps from important families—who should not be harmed. It is a privileged sanctuary under the laws of Islam, in principle beyond the reach of Saudi state security forces. King Khaled called upon the leading interpreters of Islamic law in the kingdom, the council of the *ulama*. After some deliberation, the *ulama* sanctioned the state intervention and the use of violence to protect the holy place.

The Great Mosque proved a difficult target. Because of the sanctity of the building and the pilgrims inside, heavy weapons could not be used in a frontal attack. Yet against light arms the structure was uniquely defensible. Its maze of pilloried galleries, tiny rooms, porticoes, windows, staircases and grilled stonework provided ideal cover for the insurgents, who continued to hold high vantage points atop the seven towering minarets.

When the forces of the regime tried to come in with helicopters they were driven off by machine gun fire from the ground. During the morning of the 21st, gunfire crackled around the mosque as Saudi army troops tried to work their way inside. Additional troops and armor were airlifted into Mecca. The mosque was surrounded by thousands of troops, a fleet of armored personnel carriers, armored cars and other assault forces. But in spite of growing troop strength, the beseigers were unable to advance. Saudi troops were poorly coordinated. Officers argued over tactics and who was to blame. The soldiers and guardsmen fought with little of the commitment of their adversaries.

Although some Saudi forces were now able to enter the mosque, fire from the insurgents kept them pinned down. Casualties on both sides were heavy as the fighting continued. On the 22nd, Prince Abdullah returned from Morocco to join in coordinating the seige. The armed forces advanced very slowly. The insurgents still controlled much of the mosque from behind barricades on the ground floor and from positions on the terraces and minarets.

On the 23rd, a five-man French anti-terrorist squad arrived with a planeload of special explosives and gas.* Bat-

* This article is based on a careful review of the many and varied accounts of the Mecca events in major US and European newspapers and journals. Our assessment of the significance of these events is indebted to our correspondence with Ghassane Salameh.

* According to *Le Point*, King Khalid personally asked President Giscard D'Estaing, to provide the assistance of a French anti-terrorist squad. A five-man team, under the command of a Captain Barril, part of The Intervention Group of The National Gendarmerie (GIGN), flew to Saudi Arabia on November 23. They drew up an assault plan, trained Saudi troops to carry it out, and largely directed the attack of December 3 that ended the two-week seige. One reason given for seeking French assistance was the friendship of Saudi Interior Minister Prince Nayef with Count Alexandre de Marenches, head of the French intelligence service (SDECE).

In a *Washington Post* dispatch from Riyadh (Feb. 5, 1980), the *Le Point* story was discounted by "knowledgeable sources" who reported that "the Saudis instead sought advice from the large US military training mission and the Corps of Engineers team." According to the *Post*, "Saudi princes were in frequent telephone contact with US officials during the seige," particularly during the final, difficult battle.

The *Financial Times* (April 28, 1980) reported that Saudi National Guard troops

tles that day dislodged the insurgents from the upper stories of the mosque and drove them to the ground floor. After another two days of fighting, the remaining insurgents retreated into the basement, a labyrinth of more than 200 rooms and passages, where the battle raged on.

As the fighting continued, word came on the 29th of violent Shi'i demonstrations in the oil producing province. Twenty thousand National Guard troops were used to quell those disturbances, while preparations were made for the final assault on the mosque insurgents.

The finalattack was launched on the night of December 3, after nearly two weeks of fighting. Although the insurgent's military leader had been captured and the proclaimed *Mahdi* himself killed, the battle lasted all night. More than 100 on both sides were killed and many more wounded. Of the original force of insurgents, only 170 survived.

The Significance of the Takeover

A month later, in early January 1980, the chief of staff of the Saudi armed forces, the air force and land forces commanders, and the Governor of Mecca (a brother of the king) were replaced in an extensive military and administrative shakeup. Sixty-three of the insurgents were publicly executed on January 6 in the central squares of several Saudi cities. The insurrection was over, but many questions remained. Who were the rebels? Where had they secured their arms and military training? What was the political significance of their daring, if suicidal, act?

The chief organizer and military leader of the group was Juhaiman Ibn Saif al-Otaiba, a former member of the National Guard who had received some US military training. The Otaiba tribe had many grievances against the Saudi ruling family, and Juhaiman was able to bring a number of his kinspeople into the insurrection. His brother-in-law, Mohammad Bin Abdullah al-Quraishi, a theological student at the Islamic University in Mecca, was the proclaimed *Mahdi*.

The main path of recruitment, however, was not tribal but religious. Religiously-oriented youth, mainly theology students disoriented and enraged by the social changes taking place in the kingdom, joined up. A few were foreigners of like persuasion. The regime has hinted that the insurgents were supported from the outside—Democratic Yemen, Israel, Egypt, the Soviet Union, even the US. But they apparently got their support from within Saudi Arabia, from dissidents in the military and the religious hierarchy, and even perhaps from some members of the royal family.

Like the Shah, the Saudi rulers prepared the way for a religious opposition by systematically eliminating all modern, secular opposition forces. But unlike the Shah, who laid claim to a modernist, secular ideology, the Saudi regime claims to base itself on Islamic fundamentalism. The character of the opposition is therefore ironic, especially at a time when Saudi-financed fundamentalist groups have become increasingly active throughout the Muslim world, threatening regimes and political movements opposed by the Saudis.*

But the Saudi regime has always contended with the uncertain allegiance of Islamic fundamentalists. In the late 1920s, Ibn Saud had to wipe out his own fanatical shock troops, the *Ikhwan*, with the help of British air power. As the modern, oil-based transformation has proceeded, the contradiction between the regime and its ideological base has grown steadily more acute. The *ulama* and tribal leaders, the major guardians of fundamentalism, are opposed to the centralization of power by the ruling family and the state. Their social position is further weakened by the growing influence of the bourgeoisie, the technocrats and the foreign advisors. They have become logical leaders of opposition movements that can draw support from the mass of displaced bedouins and small peasants.

The insurgents, in their pamphlets, show the rage and confusion of this backward-looking alliance. Identifying themselves as students of the *Shari'a* (Islamic law), they speak of their disgust to see their professors "bought by a corrupt regime with money and promises of promotion." One of their tracts claims that the Grand Mufti himself was sympathetic to their cause, reproaching them only for "concentrating their attacks on the Saudi regime when all Islamic regimes are corrupt." Their pamphlets also confirm the existence of several other fundamentalist groups, including the Muslim Brotherhood, who they criticise for being "led by foreigners, Indians or Pakistanis."

"Where are we?" asks Juhaiman in one of his writings. He answers: "They slander us from all quarters and tell lies about us . . . We are Muslims who wanted to learn the Law and quickly understood that it couldn't be done in these schools, colleges, and universities . . . where no one dares say a bad word about the government . . . We have broken with the opportunists and other bureaucrats who serve the government . . . we know that one day we will be strong enough to name among us a *Mahdi*, to take refuge at his command in the Great Mosque of Mecca, where we will proclaim the beginning of a new Islamic state."

Juhaiman and his group did not seize the Great Mosque in the manner of a modern insurrectionary movement but with a fantastic dream of restoring a purified order to Arabia. They even apparently thought that the earth would open to engulf the army of unbelievers come to dislodge them. As such, their rebellion was bound to fail. But it has left its political mark nonetheless. It has reminded both the shaken regime and its worried allies that the house of Saud has less and less room for maneuver between disaffected traditionalist elements and the emerging modern forces.**

refused to obey American-trained Saudi NCOs who had been brought in to replace regular tribal officers. The *Times* wrote that Prince Turki al-Faisal, head of intelligence, sought assistance from both the US and France, but that no "non-Muslims" were actually present for the seige. US-supplied tear gas was used to drive the survivors out of the mosque's catacombs.—J.S.

* Saudi-financed Muslim Brothers and other fundamentalist groups have caused trouble for regimes in Syria, Egypt, Algeria and elsewhere. In Morocco, left opponents of the Saudi-backed regime there have been fundamentalist targets. A contradiction of this policy has emerged from the Mosque incident. Abdelkrim Joutti is believed to have been a key figure in a Saudi-backed assassination of Moroccan left leader Omar Benjelloun. Joutti fled Morocco and was living in Riyadh, apparently under the protection of the regime. Most recently he has fled Saudi Arabia, and is charged with having given aid to the Mecca insurgents.

** The possibility of alliance between workers and the displaced peasantry and bedouins remains on the agenda. There have been some claims (but no evidence) that the mosque insurgents were part of a larger movement of this kind. See the interview with Nasser as-Said, head of the Union of the People of the Arabian Peninsula (UPAP) and the demands of the Arab Socialist Labor Party in response to the Great Mosque takeover, in *MERIP Reports* #85 (Feb. 1980), pp. 16-18. Nasser as-Said was abducted in Beirut in late December, presumably by Saudi agents. He has not been heard from since, and was probably assassinated.



Abdul Aziz Ibn Saud and his sons.

Political Power and the Saudi State

by Ghassane Salameh

The tribe has consistently provided the basis for social and political organization in the Arabian Peninsula. Any attempt to increase power beyond the tribe has invariably been based on religion. The Hashemites, to cite one example, founded their power on a religious credential: the family's descent from the Prophet.

The Saudi family gained power from its alliance with Mohammad Ibn Abdul Wahhab, who led a return to "primitive" Islam in the 18th century. When Abdul Wahhab left his native town to accept shelter from the ruler of the oasis town of Dir'iya, it marked the beginning of an association which continues to this day. The Wahhabis gained secular protection, while the Saudi family gained an association which lifted it above other merely tribal powers. The Saudi ruler's first title—*imam*—reflected this mix of religion and politics. It was changed in 1921 to *sultan*; even this was soon abandoned for the still more secular *malik*, or king.

The absence of a central political power has been a prominent feature through most of the history of the Arabian Peninsula. The focus through most of early Muslim society shifted rapidly from the peninsula to Damascus, and in its wake the web of tribal authority reasserted itself. Power was exerted primarily from the outside, or by local forces sustained from the outside. But even the Ottomans never really controlled the peninsula, and confined themselves to its perimeters.

The Saudi regime, in this setting, is noteworthy for its indigenous character. Subdued by Mohammad Ali of Egypt in 1838, and then by an alliance between the Ottomans and various eastern tribes late in the 19th century, Saudi power rose again when Abdul Aziz Ibn Saud conquered Riyadh at the beginning of the 20th century. A few years later he moved successfully against the Shammar tribes to the north, consolidating power in central Arabia. During World War I he collaborated with the British, but moved quickly after the war to offset British influence by granting oil concessions to some recent arrivals in the area—the Americans. The indigenous origins of the Saudi regime have allowed it a margin of independence from the British and the Americans, given its otherwise close identification with Western interests.

It is remarkable in a tribal society that one tribe could gain the degree of hegemony attained by the Saudis. This can be attributed not only to the crucial Wahhabi connection, but also to the family practice of arranging strategic marriages with other powerful tribes. Saudi access to revenues from the Mecca pilgrimage and later from oil exports has enabled the family to add money to its religious, military, and marital means of maintaining hegemony.

Control over urban areas posed a more complex problem for the Saudis. Outright military occupation was suitable in the small cities of the interior, but a more sophisticated method was required in the coastal cities. There Ibn Saud permitted a large degree of local autonomy and the continuation of local laws. This autonomy was gradually whittled away and in 1932 the country's name was changed from the Kingdom of Najd, Hijaz, 'Assir, Hassa and Their Dependencies to Saudi Arabia. Provincial names were replaced by geographical nomenclature—for example, Hassa became the Eastern Province. Where threats to Saudi power might arise, large military installations and garrisons sprang up, such as in Dhahran, Khobar and Jiddah.

In the early 1920s Ibn Saud himself disbanded the *Ikhwan*, the military religious brotherhood of warriors who had helped the family consolidate power throughout Arabia's interior. More and more Ibn Saud came to rely on alliances and a family presence throughout the territory. One element which he assiduously maintained, though, was the intimate connection of the regime with the *ulama*, the religious leaders charged with interpreting Muslim law, and still consulted today in the selection of a new monarch. Religious power is centralized in the ash-Shaikh family, descendants of Abdul Wahhab.

From Saudi Power to Saudi State

The time when Ibn Saud could govern his kingdom with the help of a few scribes and councilors is past. Today the Saudi state has a Council of Ministers, ministerial departments, an army, an official newspaper—all features common to most modern political regimes.

The emergence of the Saudi state was much less an internally generated transformation of power than a response to external pressure. The first challenge facing the regime was the absorption of Hijaz after the defeat of the Hashemites in 1925-26. Integration of this province into the kingdom posed two series of problems. First, the government had to avoid provoking the population of Hijaz—an urban, commercial, educated people, prone to flaunting their superiority over the fanatic, warrior-nomad people of Najd who had defeated them. Hijaz had a constitution, municipal councils, and a regular army—things the conquering Saudis knew nothing about. In addition, as a result of foreign trade and pilgrimage activity, this province had long-standing ties with other countries.

To attack the historic administrative structures of Hijaz would have risked rebellion; allowing these structures to remain intact threatened to progressively detach the Hijaz from the Saudi orbit. The choice between these alternatives was all the more difficult because it came at a time when Ibn Saud was barely able to restrain his *Ikhwan* troops. He settled on an intermediate solution: permitting Hijaz to keep its laws from former times, while naming his own son Faisal vice regent of the province to assure a Saudi presence at the head of governmental structures left by the Hashemites. Consequently Hijaz administration was considerably better organized than that of the monarchy.

On September 18, 1932, the country was unified under the name Saudi Arabia. Following the example of Hijaz, Ibn Saud named governors to the different provinces but gave them great latitude. While in Hijaz Faisal regularly consulted local leaders, in Hassa Abdullah Ibn Jiluwi governed in the severe patricarchal manner of Ibn Saud.

The vice regency model developed for Hijaz firmly established the notion of the delegation of power. Gradually this concept was extended to other sectors of governmental activity. Although under Ibn Saud such activity was rudimentary, it was already clear that the king could not get involved in every little administrative detail. He developed the practice of personal representatives.

Faisal, situated in Hijaz with easy access to foreign communications, was made responsible for diplomacy. He served as a sort of diplomatic jack-of-all-trades—at once minister of foreign affairs, representative to the United Nations and traveling ambassador. The foreign ministry at Jiddah was merged with the personal secretariat of Faisal, the vice regent of the province. The kingdom responded very slowly to requests from other countries to open embassies, with only five or six established instead of the 30 expected.

The Ministry of Finance was also created in 1932. Here the problems were more serious: the sovereign's personal expenses were not distinguished from the state budget, and remained so until the end of the 1950s. Maintenance of the currency (whose parity had to be set) and a minimum of bookkeeping were essential. Abdullah Suleiman, an old friend of the king, was appointed to distribute sacks of rice or flour, and later dollars, to the allies and clients of Ibn Saud.

Even this modest organization, however, could not further develop as long as Ibn Saud was alive. Jealous of his royal perogatives, he did not hesitate to involve himself in very unimportant questions—arbitrating between individuals or tribes, drafting diplomatic dispatches, personally receiving visitors. The king did not like the ministerial organization tolerated in Hijaz. But just as exchanges with other countries required that he name a minister of foreign affairs, relations with the petroleum companies forced him to establish a ministry of finance.

In 1944, the American decision to install a base at Dhahran prompted the king to establish a ministry of defense as well. But these offices, arising purely out of external pressure, did not affect his personal power in the slightest, and he often ignored them. Finally, just a few weeks before his death in 1953, he agreed to establish a Council of Ministers in order to have certain of his sons and councilors share in the power of his heir, Saud. Ibn Saud apparently did not want to transmit to only one of his 37 sons a power as absolute as he himself exercised.

Besides the death of Ibn Saud, the other factor that hastened the emergence of a state apparatus was oil. Saudi crude was only produced in major quantities after 1945, but its development was rapid. Petroleum revenues were spent in the most careless manner, despite the anxieties this created for ARAMCO, fast becoming a kind of state-within-a-state upon which the royal power was growing increasingly dependent. In return for royalties the government had nothing to offer ARAMCO but its signature at the bottom of a contract—no armed forces to defend installations, no administration capable of handling complex negotiations, no skilled labor, no educated personnel, no real infrastructure of any sort, much less a governmental body capable of regulating the corporate giant at the heart of the kingdom.

As a result ARAMCO engaged not only in all phases of Saudi oil production, but also built housing, airports, hospitals, and schools, laid down roads, founded educational centers, dug for water, launched agricultural research and, above all, invited the US government to install a military base near the oil fields that would protect them and the people who worked there. This activity posed a double challenge to Riyadh: It stimulated the Saudi government to improve its negotiating position vis à vis the foreign power, and also to prepare itself to rival and replace it in the domain of petroleum as well as the many sectors of civil life where it was now involved.

After Ibn Saud

In 1953, at the death of Ibn Saud, the kingdom found itself in an absurd situation: oil, its principal resource, was formally nationalized, but there was no state apparatus capable of administering it. The Council of Ministers met for the first time on March 7, 1954, in Riyadh. Ministries of the interior, education, agriculture, health, industry and commerce, and information, were added to defense, foreign affairs and finance.

Rivalries between ministers, as well as inexperience caused numerous problems. The Ministry of Economy was created in 1953 but eliminated the very next year. The governor of Hassa province in the east categorically

refused to submit to the Minster of the Interior and continued to organize the police of the province in his own way. Committees, supreme councils, and special commissions came and went like the wind, sometimes becoming ministries, but more often falling into oblivion.

It was not until much later, mainly under the influence of Faisal, that an organizational framework began to emerge from this chaos. A royal decree clarifying the duties of the Council of Ministers, published on May 12, 1958, remains a cornerstone of government. According to this document, the council is responsible for the budget and internal affairs, but only the king can legislate and publish laws, treaties and concessions. The king can oppose a proposition of the council, but he has to justify his veto. The regional organization of the kingdom is based on a decree of October 1963 which divides the kingdom into six provinces (*mukata'a*), which are further subdivided into a number of regions (*mantika*). Each governor is appointed by royal decree. A vice governor and a 30-member provincial council, chosen by the Council of Ministers, assist him.

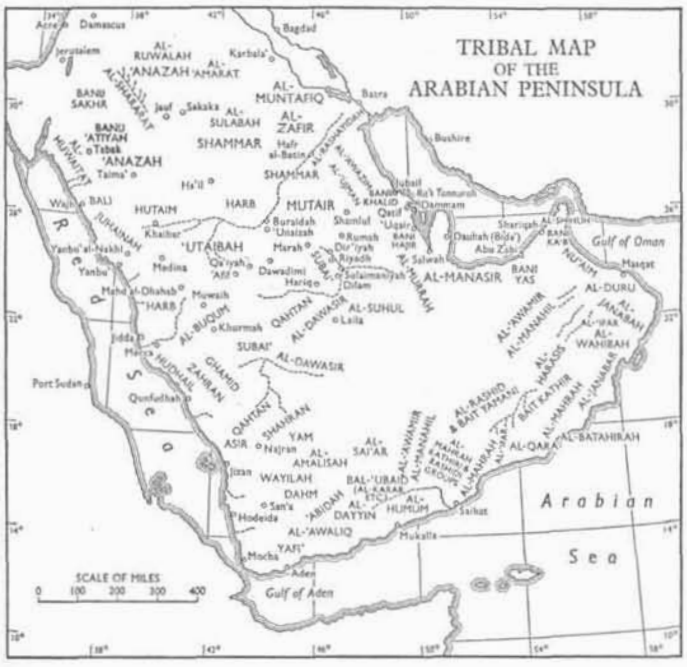
The emergence of a state apparatus was halting and often anarchic. Nevertheless only a quarter of a century after the death of Ibn Saud, there was an impressive framework, headed by a council of 20 ministers often chosen for their competence rather than their hereditary titles.

Islam and the Dynamics of Power

But did the emergence of a state apparatus alter, in a fundmental way, an essentially clanish dynamic of power? "The political system of Saudi Arabia is based on the Islamic faith which lays down laws, constitutions and regulations. Islam guarantees the exercise of democracy; it disapproves of inertia and imitation."*[1] This declaration by Prince Fahd, then deputy prime minister, was not necessarily a simple justification for the monarchy's refusal to introduce forms of Western democracy. Nor is Faisal simply demagogic when he asserts, "We believe neither in socialism, nor in communism nor in any doctrine outside of Islam; we believe only in Islam."[2] In fact, Fahd's position is a rejection of Western democracy: "Some people consider the Western democratic regime as an example to be followed, a system which destiny leads all people to accept. We would have acknowledged this willingly when Western democratic systems were flourishing, but after their scandalous failure to deal with the problems of the individual as well as their own political failures, we could not consider these systems as the only way to guarantee the general welfare."[3]

These statements obviously are a defense against the onslaught of democratic and socialist forces. Such a defense is credible to many in Saudi Arabia and elsewhere, especially at a time when a return to Islamic principles has seized the popular imagination throughout the Muslim world. The Saudi regime appears to place Islam at the very foundation of its authority. This is symbolized by its role as guardian of the holy places and by the endurance of the *Shari'a* as the only recognized law. Prayers and fasting are enforced by the police and Islam purportedly determines the systems of taxation and education. Islam fills the need for an ideology in Saudi Arabia since liberalism—not to mention socialism—has been eliminated. But Islam may prove to be a two-edged sword. As the recent Mecca events have shown, Islam can be a rallying cry for opponents of the regime as well.

* A few years before King Faisal had said: "A constitution? What for? The Koran is the oldest and most efficient constitution in the world." (*Le Monde*, June 24, 1966). Nevertheless, in 1962, Faisal had promulgated a 10-point program envisioning the establishment of a constitution. The program (see G. de Gaury *Faisal*, p. 148) included the establishment of new provincial structures and a judicial council, a reform of the committees of public morality and the abolition of slavery. A ministry of justice was indeed created in 1970 after the death of the Grand Mufti. This was one of the most important in the series of attempts by the aging sovereign to limit the influence of the religious leaders by tying them even more closely to the state apparatus.



Ibn Saud's army on the march in 1911.



The Royal Family and Its Allies

From the composition of the government (in November 1979) it is easy to see that the sons of Ibn Saud occupy all the important posts: first and second deputy prime ministers, Defense and Aviation, Public Works and Housing, Interior, and Municipal and Rural Affairs. Foreign Affairs has fallen to a member of the third generation: Saud, son of King Faisal and nephew of the present king.

Outside the council this nepotism is only amplified. Crown Prince Fahd, for example, is at the head of a series of supreme councils that bring under the direct authority of the Saud family sectors formally entrusted to nonfamily officials: National Security, Education, Universities, Oil Affairs, Youth, Pilgrimage, and Industrialization. These councils thus extend the personal imprint of Fahd and his Sudeiri clan over the whole administration. Provincial government is entrusted only to near relatives of Ibn Saud. His sons are governors of Medina (Abdul Muhsin), of Mecca (Fawwaz), and of Riyadh (Salman).

The next generation also hold important posts: Fahd, son of Sultan, is director general of the Ministry of Labor; Faisal, son of Fahd, is director of Youth with a rank of minister; Khaled, son of Faisal, is governor of 'Assir; and Saud, son of Abdul Muhsin, is vice-governor of Mecca. The fourth generation is present in the government as officers in the army or in high administrative posts. For example, Mohammad, son of Abdullah, son of Faisal, son of Abdul Aziz, is undersecretary of state at the Ministry of Education.

How can it be proven that this prince or that clan exercises an influence over the conduct of affairs of state? Secrecy makes it futile to try to keep track of the meetings of a dozen or so of the most powerful princes. Yet, the state seems to provide a fairly reliable picture of the evolution of power relationships. Let us follow the career of Faisal, for example. He became prime minister in 1954. In 1958 he assumed extraordinary powers, but King Saud moved to regain his own royal perogatives and dismissed Faisal in 1960. But in November 1962 Faisal was again designated prime minister. Saud's maneuverings failed and he was obliged to abdicate in favor of his brother less than two years later. The measure of Faisal's influence is the support he enjoyed among his brothers and the fact that he remained prime minister and held the portfolio of foreign affairs from 1962 until his death in 1975.

The influence of Fahd can be deduced from his numerous positions as well as from his being chosen heir apparent over two of his older brothers. He was Minister of Education in 1953, and then moved to Interior before becoming second deputy prime minister and finally first deputy prime minister. Abdullah's firm position as head of the National Guard and third from the top in the Council of Ministers denotes the permanence of a minority faction of the family in the government and its simultaneous inability to extend its power.

At the end of 1975, the council was strengthend by the entrance of two sons of Abdul Aziz, Majid and Mita'ab, hitherto without influence. Their promotion to the rank of minister has been interpreted as an attempt by the king and Abdullah to counter-balance the power of the seven Sudeiri brothers by appointing members of other family clans to the council. The Sudeiri clan, having very early chosen the state apparatus as the means to augment its power, exercised an almost hegemonic influence. This influence has grown along with the government. Their wager was a wise one.

The state structure and, above all, the Council of Ministers serves as a meeting ground for the different branches of the royal family. Personal delegation left its profound mark on the structure itself. Whenever Ibn Saud or his successors conferred a ministerial department or a province of the kingdom upon a near relation, the recipient has tended to perceive the delegation as feudal in nature, rather than as part of a hierarchical state order. The Jiluwi, for example, acted as absolute masters of Hassa, and would hardly tolerate interference in affairs of the province even from someone superior in the state hierarchy. Like the Shaikhs in the domain of justice, they considered this charge hereditary and therefore not transferable to anyone other than their own descendents. Staff recruitment, budget allocation and the organization of the administration as a whole should depend upon their will, they felt, not upon general rules applied in all sectors or in all provinces.

The personality and uncontested authority of Ibn Saud enabled him to maintain unity. But after him it was necessary to find an institution to perform this function. The Council of Ministers, under the influence of King Faisal, increasingly assumed this role. Since Faisal's assassination, Fahd's attempt to act as de facto prime minister has failed, and the ministers have refused to inform him regularly of their activity. Hence the proliferation of supra-ministerial supreme councils, which permit Fahd to bypass the council.

From the beginning, the power of the Saudi monarchy has depended on alliances with other forces inside the kingdom. The new governmental apparatus permits the ruling family to repay these faithful supporters in a new fashion. The Ash-Shaikh, descendants of the founder of Wahhabism, are one of the most well-known of such allies. Their influence has been cemented by the permanent presence of three representatives in the Council of Ministers.

The Jiluwi, one of whom was a companion of Ibn Saud, were so influential in Hassa that their power rivaled that of the Saudis, who quickly sought a compromise with them. It was understood that the governorship of a province would always be reserved for them.

The Thunayyi do not constitute a great tribe, but the marriage of one of their daughters with Faisal strengthened their influence. The Sudeiri are well represented in the government, even if they are excluded from the Council of Ministers. Other tribes are in the same situation, and the National Guard is an ideal tool to accommodate them: the sons of chiefs serve as its officers, the others as its soldiers.

The National Guard has long been a source of power in more ways than one, making recruits economically dependent upon the state and thus facilitating its control over them. The civil service is also a means of extending the state's wealth and control to the most deprived individuals: similar logic governs the appointment of officials who are more competent but potentially more dangerous, such as the hundreds of technocrats who return to the country having graduated from universitites in Europe or the United States. There are 3000 such students in the US alone, and it is estimated that close to 30,000 Saudis have completed their higher education abroad. They are influential not only because the country badly needs their skills, but

also because they have a natural tendency to demand a role in the direction of the country, especially as their numbers grow.[5] How long the present system will absorb them remains to be seen.



Princes Faisal and Fahd in front of a Northrop F-5.

Clan and State: The Officer-Princes

The mineral wealth of the country has increased its vulnerability. The kingdom must have a strong armed force to cope with many formidable menaces. These armed forces number about 70,000 men, equipped more and more with sophisticated weapons. But the military has some severe handicaps. A military career holds very little attraction for young Saudi men. At best only two percent of the population is in the army, and the ratio of personnel to territory is even less impressive: one for every 16 kilometers. Nor does the quality of training readiness of the Saudi army compare favorably with that of neighboring states, even the poor ones. Neverthess, the defense budget was $14 billion in 1978, of which more than $8 billion went to the US as payment for arms, equipment, and services. Today the kingdom spends more on defense than any country in the world on a per capita basis with per capita expenditures of $2500 (versus $520 for the US). Despite improvements since 1973, particularly in weaponry, Saudis remain skeptical about the military's prowess.

One detects in the royal family itself a reuluctance to undertake major development of the armed forces. The monarchy, anxious to defend its wealth, seems to fear the potentially high political price of a strong army. Too many dynasties and civilian regimes in the immediate vicinity of the kingdom have already paid it. Even aborted *coups* prove to be expensive.

The dilemma between defending the country and defending the monarchy shows how limited the institutionalization of power remains. The insistence on "protecting the cities against the enemy" leads to posting garrisons close to the principal urban centers. This is only one sign of how much the regime fears the army and how adamantly it intends to keep this force under its thumb as an insurance against a sudden uprising.

Another sign is the regime's reliance on two military corps—the army and the national guard—which are almost equal in size. This is no mere holdover from the past, or a formal division with no practical meaning. The United States, responsible for the formation of both, considers them as two distinct forces, complimentary certainly, but possibly antagonistic in case of conflict.[6]

The guard is an extension of loyalist tribal groups, while the army is an outgrowth of the Hijazi troops inherited from the Sherif of Mecca. They are commanded differently: the Ministry of Defense and Aviation is a stronghold of the Sudeiri clan, represented by Sultan, the brother of the crown prince. The guard is under the authority of Abdullah, probably the Sudeiris' strongest opponent. The armed forces are charged with defending the borders and helping to put down internal rebellion. The guard is principally charged with the protection of the cities and oil wells.

The organization of the two corps differs. The army has been established by a decree of March 20, 1960 under the direction of a High Defense Council composed of the king, the ministers of defense, interior, finance, and foreign affairs, and the chief of staff. Troops are recruited from throughout the country. The guard is made up of coalitions of tribal members drawn from the vicinity of each of its garrisons. Its officers are chosen almost arbitrarily from these tribes. Its statutes are ill-defined, and its chain of command seems to reflect tribal authority rather than regular military ranks. The plan to modernize the guard reorganizes it along classic military lines. Including training and geographical stationing, this program maintains the guard completely separately from the army. Some observers predict that eventually the two corps will merge. But this is doubtful, for this duality is the result of the clan-based division of the state apparatus more than of the specific history of the governmental structure, and the armed forces are parcelled out as a kind of "game preserve."

Nevertheless, the heir apparent is reputed to favor integration of the national guard into the army as was the case with the royal guard in 1964. Yet this precedent suggests that a military corps could not be dissolved unless its loyality were questioned, as was the case with the royal guard which Faisal considered too close to Saud to tolerate. He replaced it, with the support of the influential members of the dynasty. Today, the faction represented by Abdullah appears to enjoy the support of the king, and nothing indicates that it is threatened with a similar eviction.

The National Guard, in the face of the Sudeiri hold over the army, is the army of a clan at the heart of the dynasty. Its supporters benefit from its existence as a kind of praetorian guard serving the monarchy as a whole. The National Guard was equal to or better than the army in the Yemen war. There have been no uprisings by the Guards, whereas a number of the army have taken refuge in enemy capitals and the air force attempted a military *putsch* in 1969. Finally, the National Guard permits the integration of tribal elements, ill-prepared for urban life and technological development, whom a forced sedentarism might transform into hostile and frustrated individuals.

Although the armed forces of the kingdom share the same commander-in-chief—the king himself—the large size of the royal family allows it to place a great number of princes in positions of command. It is difficult to provide an exact count of these officer-princes, but they are generally estimated to be in the hundreds. This holds true as much for the National Guard as for the other services. As a rule,

princes who have not received a military education abroad fill the higher posts in the Guard, whereas graduates of Lackland, San Diego or Fort Leavenworth serve as officers in the other armed services.

The more highly placed of these princes are well known. They include, first of all, the sons of Abdel Aziz: Abdullah, head of the National Guard and second deputy prime minister; Sultan, Minister of Defense; Nayef, Minister of the Interior; Turki, deputy Minister of Defense; and Badr, second-in-command of the National Guard. In short, no ministerial post related to national security is outside the hands of the sons of Ibn Saud, and it has always been this way.

As for the members of third generation, the grandsons of Ibn Saud, their presence in the upper ranks of the armed forces is likewise a secret to no one: the sons of Saud and Faisal (Bandar and Abdur Rahman), of Abdullah, and of Fahd are only a few of these. Then there are the sons of lineages closely tied to the throne such as the Thanayyani, the Ash-Shaikh or the Jiluwi. Through innumerable marriages, carefully arranged to assure a broad base of support, the connections of the dynasty have been extended and its presence in the armed forces strengthened.

The sector of National Defense is not reserved for Saudis alone. But the regime is very reluctant to supply information on who the many foreigners are or on what role they play in the Saudi army. What information that is available indicates three categories of people serving in the armed forces:

1. Contracted foreign officers serving in an individual capacity. Perhaps 1500 of these are of Pakistani origin. Officers of Jordanian origin number in the dozens. There are also Syrians, Iraqis, Palestinians, Bengalis and Egyptians. These officers are treated like nationals; they seem to be most active in training and logistics.

2. Officers sent to the kingdom by virtue of bilateral agreements between the kingdom and their country of origin. The US, French, British and Pakistani governments, among others, are repesented by such missions.

3. Employees of foreign firms involved in Saudi military projects. The greatest number of military-related foreigners working in the kingdom belong in this category. American companies clearly predominate in this sector, employing at least 6000 US citizens.

The presence of these foreigners poses many problems. Their political role is rather obscure, and one can ask whether their presence is due wholly to Saudi deficiencies. Is this not a mercenary type of force? Will these soldiers be more active in the concrete concerns of internal politics than in the hypothetical defense of the nation's borders?

Property and Wealth

At the birth of the kingdom, 80 percent of what was to be Saudi territory was the property of nomadic tribes. In this pastoral subsistence economy, founded much more on movement than on the settled holding of land, the concept of private property was certainly primitive. Only afterwards did these lands come to be considered the collective property of the tribes who inhabited them in the past: indeed, they were once at the origin of an unlimited number of intertribal conflicts.

Land Holdings and Cultivated Land
(In hectares)

Emirate	No.of Villages	No. of Holdings	Total of Cultivated Land
Eastern	111	11,372	6,947
Riyadh, Afif & al Khasira	374	9,668	35,064
Gassim	284	6,695	21,046
Hail	241	6,645	5,669
Jawf, Qurayyat & Northern Boundaries	95	2,655	597
Medina	264	7,815	2,832
Mecca	2,423	37,000	32,808
Asir	1,317	31,302	11,905
al-Bahah	961	19,534	3,988
Jizan	1,406	34,802	387,066
Majran	71	2,389	3,067
Bisha & Ranyah	258	10,912	13,737
Totals	7,805	180,789	524,726

Source: Saudi Ministry of Planning, *Second Development Plan, 1975-80*, p. 119, as cited by Enid Hill in a paper presented at the University of Exeter, July 1980. Hill estimates the total agricultural/nomadic population at 1.9 million. Tim Sisley, in the *Financial Times* (April 28, 1980) cites a 1977 government report that 470,000 "settled workers" and 160,000 bedouin, or about 30 percent of the Saudi workforce, are counted in the agricultural sector. This is a drop from an estimated 40 percent in 1970. Agriculture's share of the non-oil gross domestic product has dropped from 12.1 percent in 1970 to 2.4 percent in 1978. In the large agribusiness projects now being established, virtually all labor is imported.

In this context, property rights have become an attribute rather than a foundation of power, rights which rest primarily on military and political strength. The career of Ibn Saud strikingly illustrates this. After conquering a number of rival tribes, he decided, in 1925, to "nationalize" their territories, to appropriate them by converting them into *miri* lands.* This action demonstrates yet again "the transparency of exploitative relationships" in precapitalist societies, and the importance of "relationships of domination."

Thirty percent of all cultivated land, notably in the non-Saudi regions of Hijaz and 'Assir, belongs to the private sector. In other cases, inheritance rights are based not on ownership, but on usufruct. Some *miri* lands are given as *ikta'* (fief) to military chiefs who have supported the dynasty, but a decree of 1957 forbids these "owners" to register their lands without the authorization of the king. Once registered, the land becomes *mulk* (property), a rare development outside of 'Assir. Other lands belong to tribes

* Literally princely territories, in fact national territories.

or sedentary communities in the east. These are *musha'* lands. *Waqf* (religious land) constitutes close to 10 perecent of the cultivated land.

Even more important in the Saudi system of land tenure are the property rights that the state holds over the subsoil. The state appropriated the right to displace entire tribes in order to facilitate the exploitation of mineral wealth. Thus Ibn Saud initiated oil agreements by simple royal decrees.

Ibn Saud (1902-1953) and Saud (1953-1964) did not distinguish between their own private income and that of the government. Both were extremely big spenders, buying allegiances as well as luxuries. Despite the increase of oil revenues by 30 times over 10 years, the king had to borrow money, and the value of the *riyal* fell by half on the open market.

While the practice of drawing up a budget began in 1947, the king kept no account of his expenditures—indistinguishable from those of the state—until the end of the 1950s, when the kingdom was on the verge of total bankruptcy. Here, as in other countries of the region, "the problem of how to spend oil revenues was the origin of the establishment of administrative and financial institutions."[7] More exactly, Saud's paternalistic oblivion and the ensuing state of the royal treasury were at the heart of his replacement by his brother Faisal, more austere in his personal expenditures but, above all, more favorable to the creation of a modern state structure.

A rudimentary structure existed, but it hardly had any clear policies. In April 1952, the king authorized the creation of a monetary agency, a sort of ministry of finance and a central bank all in one, under the framework of Point IV, the US aid program. Directed by an American, this agency tried to set the limits of the state's domain and defend it against the arbitrary encroachments of the royal family.

By a customs law of 1953, the royal family lost the customs exemptions which it had hitherto enjoyed, and in 1954 was obliged to accept the publication of the kingdom's first budget. Foreign exchange controls forbidding the sending of funds abroad were established in 1955. But this legislation changed little in reality, for princes continued their big deposits in Beirut and Cairo. The second budget, in which the king's expenses amounted to 7 percent and payments to allied tribal chiefs some 13 percent, was not published until 1958.

The financial structure was dominated after 1952 by the Saudi Arabian Monetary Agency (SAMA). In 1954, the Ministry of Economy and Finance was created to supervise the country's revenues and fiscal activities. The statutes of the Council of Ministers of 1954-1958 charged this agency with approving the annual budget published by royal decree. The emergence of these bureaus, along with new ministries of agriculture, commerce, industry, planning and oil, accompanied a net reduction by two-thirds of the sums annually allocated to the princes of the royal family.

Institutionalization of the financial sector continually runs up against the same obstacles encountered by the administration in general—the exclusivity of political power, the personalized division of power in departments, and the lack of a skilled work force. No one knows how much money is distributed to members of the royal family under diverse and vague categories. Because the royal family holds the political power, it "directs and is able to appropriate Saudi national income to itself, and has the last word in the investment policies."[8] It is estimated that some $300 million is allocated to the princes of the royal family individually, not including the large tracts of land they personally possess. The amount the budget publicly allocates to members of the royal family occupying official posts, and which they may spend as arbitrarily as they exercise political authority, must be added to this already considerable sum.



Faisal in the 1930s.

Foreign Affairs: The Faisal Era

The diplomatic sphere was dominated by King Faisal for half a century, in an almost uninterrupted and increasingly exclusive manner. This dominance typically began with the sovereign's delegation of power to one of his sons, who developed it into an almost total personal hegemony in that area of state activity.

Ibn Saud first conferred authority for foreign policy on his son Faisal in 1919. At the age of 13, Faisal was appointed to head the Saudi delegation to the Paris Peace Conference, first stopping in London to be received by King George. This role was formalized in 1930 when the prince, then 24 years old, was appointed minister of Foreign Affairs. He held this title, with the exception of the 15-month period between December 1960 and March 1962, until his death.

Faisal benefited from the intermingling of his governorship of Hijaz and his management of foreign affairs. It was crucial to his independence as a diplomatic leader. The Ministry of Foreign Affairs was established in Jiddah, the principal port of Hijaz, rather than Riyadh, the capital of the kingdom. In effect, the center of diplomacy differed from that of the regime itself. Embassies represented in the kingdom established themselves in Jiddah as well. This geographic distinction was a mark of the isolation of the diplomatic sector from the other activities of the state and its independence vis à vis the regime itself.

Although the conduct of Saudi foreign affairs was subject to the continuous personal influence of Faisal, the extent of his influence varied. He had to take into account the will of the sovereign, his father Abdul Aziz, until 1953, and afterwards that of his brother Saud from 1953 until 1964. The authority of the sovereign was important, and did not distinguish between internal and external affairs, nor between central decisions and questions of detail. There was no reason why the personal stamp of the sovereign could not be extended to foreign affairs, and the two kings who preceded Faisal did not fail to remind him of this.

Indeed, while his father was alive, Faisal had no influence on relations with the immediate neighbors of the kingdom. These were considered an aspect of intertribal relations, and thus remained under the jurisdiction of the tribal leader—the leader of the state itself. As for other matters, the king could intervene at any time on any question: order his ambassador in Cairo to respond to a campaign in the press against Wahhabism (1937), specify almost word-for-word what Faisal should say at the London Conference on Palestine (1938), dictate to his Arab League delegate the position to take on various matters. At the heart of the king's "privy council," internal affairs were mixed with diplomatic activity without any organic distinction. The political wing of the palace functioned as a kind of duplicate Ministry of Foreign Affairs. Ibn Saud also attended important diplomatic meetings in the kingdom or in the immediate region. The domain ruled by Faisal, therefore, was simply that ceded to him by the sovereign, and his dominion over the formal appartus of foreign relations rested within the framework of power concentrated in the hands of the king.

During the reign of Saud (1953-64), the regime oscillated between dual authority and solitary rule, ending in the eviction of Saud. Faisal, from his stronghold at Jiddah, sought wider influence in the internal affairs of the kingdom, especially in the area of finance, while Saud sought to limit Faisal's influence to the diplomatic sector. The rivalry was resolved in the favor of Faisal, and in 1964 Faisal became king.

Faisal's hold on the diplomacy of the country was thenceforth undisputed, especially since the apparatus owed its development to him. It was out of the question for him to appoint someone else as foreign minister: to confer it on a brother would have led to the steady detachment of this domain from his hold, while to appoint a "technocrat" would have been badly received by a royal family anxious to reserve the most important posts for itself. But the affairs of the kindom were becoming more and more complex, and, as an added consideration, the princes who had been crucial to the eviction of Saud looked forward to sharing the power with their brother-king in all areas, including that of foreign affairs.

Faisal—simultaneously king, prime minister, and foreign minister—had to leave greater latitude to his confidants and councilors and to the apparatus itself in the conduct of diplomatic activity. His confidants began to develop the means of conducting the country's diplomacy without his advice. Yamani, acquiring the requisite technical knowledge, became increasingly powerful in the oil sector. Clearly, the conduct of diplomacy in its day-to-day activities had to be left to someone who could devote full time to it. Thus a royal decree of April 1, 1968, established the post of Minister of State for Foreign Affairs. In addition various councilors of the king had an important role in the determination and implementation of foreign policy. Among these, Kamal Adham and Rashad Pharaon, the king's private doctor, had special influence.

Faisal provided unity to a diplomacy threatened by dispersion. The efforts of several princely ministers at the heart of the ruling circle to develop their activities outside the kingdom increased after his death. Fahd emerged as an essential pillar of the regime and a pretender to the throne when he visited the United States in June 1974 to sign an economic and military cooperation agreement. Other princes freely receive ambassadors sent to the kingdom without necessarily consulting the palace or the foreign minister. The ministers responsible for security have purchased arms themselves and spend their allocations abroad in complete independence. They have even been able to build "alliances": Abdullah's Arab friends are not always those of the state, and he has at times helped political powers in the region that other clans of the royal family consider inimical.

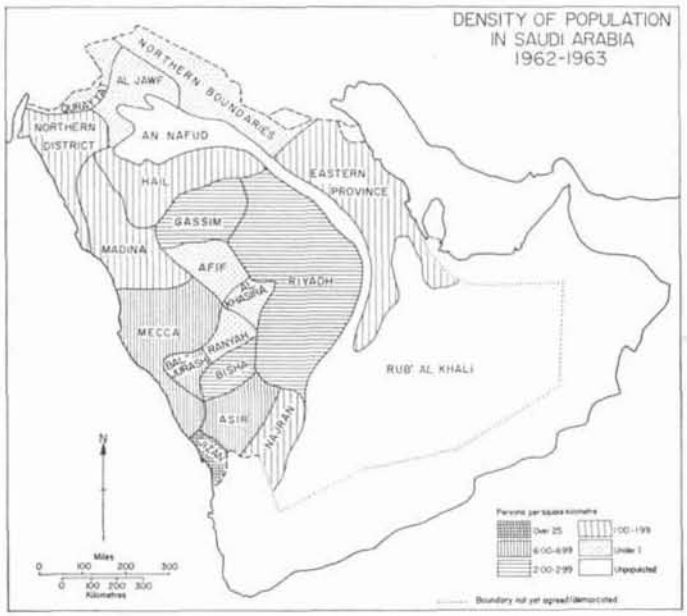
Diplomacy After Faisal

The kingdom has not, since March 1975, become any more explicit about its manner of government. The conduct of foreign affairs is always worked out with extreme discretion. It is almost impossible for someone outside the ruling circles to obtain credible answers to such questions as the size of the population, the lagging negotiations over the nationalization of ARAMCO, the state of Saudi-Iranian relations, the forces and motives behind the assassination of Faisal, or the size of the kingdom's monetary reserves. In the domain of foreign policy, the kingdom particularly values secret visits, payments, agreements, and the like. This discretion dominates the decison-making power as a whole, but it is probably much more prevalent in the domain of foreign policy. The kingdom, acutely conscious of its vulnerability, fears any public expression of its wealth.* A favorite diplomatic weapon is the payment of petrodollars under various guises.

* Bulloch in *Making of a War*, p. 10, speaks of Faisal's "enigmatic conduct." The remark is valid to describe Saudi politics in general. This enigmatic behavior comes partly from an effort to maintain the sacred, religious aura of the dynasty. It also betrays the traces of an Arab and bedouin reserve which modern mass-media have not eliminated. But, above all, this tendency toward secrecy is a reflection of clanish absolutism.

The death of King Faisal has led to an even more marked *multiplicity* of decision-making centers and, consequently, of foreign policy options. Certainly the interests of the ruling family are more or less the same, and its composite clans perceive friends and enemies in a like manner. When contradictory tendencies do arise, the internal solidarity of the most powerful princes seems able to reconcile them in a tightly-knit conclave around the king. Such a reconciliation appears to have taken place after the OPEC meeting at Doha (December 1976) when the kingdom took its own course; after the visit of Fahd to the United States (May 1977); and after Sadat's trip to Jerusalem (November 1977). Individual princes continue to view their diplomatic activities as extensions of their internal activity, and hence their participation in the government normally leads to relatively personal diplomatic initiatives. This situation is reinforced by Khaled's succession to Faisal, whose personal involvement had given Saudi foreign affairs a degree of coherence.

The diplomatic apparatus in itself does not represent an alternative. Saudi diplomats can, in effect, take sides in rivalries between princes to enlarge their margin of action or to enrich themselves. For them too, the boundary between private interest and official function is imprecise. If they tend to cross it easily, the princes who direct them hardly set a good example.



The People of Saudi Arabia

So far we have dwelt on the exclusiveness, omnipotence and unity of the Saudi regime. We have also attempted to explore its nature: essentially clanish, religious and autonomous, resisting institutionalization. The evolution of power clearly depends on internal developments that will mark it in coming years. The continuity of internal consensus, maintenance of the balance among princely factions and their allies, the strength of the kingdom's ideological legitimization are elements fundamental to enhancing the durability of the Saudi regime. But this regime does not operate in a vacuum: it rules a territory that is three times the size of France, and it concerns itself with the daily life and future of several million Saudis. Internal dissension thus might be fatal to the regime. Pressures external to the regime—Saudi, regional, or international—may lead to an evolution or even a replacement of the regime without the ruling clans becoming disunited.

The political forces which oppose the established order bear little relevance, in their organization or in their impact, to the potential for social upheaval. Here we must focus much more on the objective factors of transformation than on the groups who might use them to gain power.

How many Saudis are there? This basic question leads to delicate political problems. The results of the censuses of 1963 and 1975 have never been published. "It is a taboo subject, which, if referred to, arouses sad grimaces among official circles."[9] The estimates diverge quite a bit, ranging from three to nine million.[10] Recent accounts and the cross-checking of information from different sources, however, permits an estimated range of between four and four and a half million Saudis.

This population presently experiences the contradictions that naturally arise when an extremely traditional society becomes, almost overnight, intimately linked with the international capitalist system. The country is divided into two economies, even two societies—one urban, the other bedouin. A few years ago, the nomadic and the settled populations were assumed to be of equal numbers. Such an estimate, however, seems to take greater account of the Saudis' origin than of their present much more sedentarized situation. But half or more of the population probably remains attached to the nomadic and tribal system of values which the regime itself claims and tries to maintain. This division schematically juxtaposes the Najdites and the northern tribes against the inhabitants of the large cities of Hijaz or the terraced villages of 'Assir.

Has the tribal-nomadic life become a simple memory for the people who come from it? Nomads are now an estimated 15 percent of the population—"an essentially precarious, nonmonetary, socially-particularized subsistence economy, in the face of a hypermonetary economy based on oil and related only to a small part of the population."[11] This gap cannot endure indefinitely. Today, the bedouins are "in a state of cataclysmic transition."[12] This transformation is not due solely to oil. Greatly fearing the hostility of the cosmopolitan cities, the Saudi regime has, since the beginning, relied on the bedouins. Between 1912 and 1927, Ibn Saud tried to settle a number of them to form the backbone of his troops, the *Ikhwan*.

Today the government seeks to settle all the nomads. The government's intervention seems to have a double aim: to forestall the formation of a lumpenproletariat which could, sooner or later, pose a threat; at the same time, to take advantage of this potential work force to stem the tide of immigrant workers. In addition, of course, it is easier to exercise political control over a settled population than over groups perpetually on the move.

The first project of this sort, named after King Faisal and carried out during the 1960s, aimed at settling tens of thousands of nomads in the oases near Haradh. Similar projects have followed, but the Saudi regime does not seem able to attract young nomads to industry or agriculture. The policy itself is hesitant. In order to achieve a complete sedentarization in 10 or 15 years the regime must, in the meantime, pay the bedouins various subsistence allocations, which will allow them to maintain partially (during a few months of the year) their former life. Compensations

paid to families whose children go to school reflect bedouin resistance to urban life and their fear of having their children educated far from their tribe and its values.

The transition to sendentary life is nevertheless occurring very rapidly, and the government seems incapable of mastering this development which is largely independent of its will. Communications have had a great deal to do with this transition, which has been speeded up by the collapse of the old desert economy at its foundations. The nomadic economy is disappearing, while the tribes remain. Yet, the regime fears them less than it does the disillusionment and sense of betrayal caused by rapid urbanization. The nomad problem does not disappear with their sedentarization. It only changes form.

Geographic and Religious Diversity

The Saudi regime owes its survival and expansion to the combination of a Najdite thrust and a Wahhabi religious current. This combination of regional and religious expansionism imposed itself through systematic recourse to raiding, war and enforced tribal alliances. Resistance to this political and religous hegemony was considerable. Today that resistance is weaker, due to the political unification of the country, the diffusion of the benefits of oil revenues and, of course, more efficient tools of repression. But the hegemony of the clan in power is not accepted with enthusiasm by the whole population. Indeed, the tribal, geographical and religious heterogeneity of the population holds the potential for revolt of a traditional sort.

Tribal: The increasingly exorbitant privileges awarded to the members of the royal family and their near relations are difficult to justify to the rest of the population. They are, first of all, contrary to Islam, especially to the egalitarianism of Hanbalite and Wahhabite Islam based on the Koran itself. Invoked as the exclusive ideology of the state, Islam also does not sanction the practice of hereditary succession, and favors personal aptitude as the criteria for choosing the leadership. Are the Saudi princes thus fit to govern? Or, posing the question differently, are there not other people just as capable *outside* the Saudi family?*

This hegemony and these privileges, moreover, are recent. Only two centuries ago, the Saudis were nobles in a small oasis of Najd, like so many other families who have since disappeared or who today perpetuate the memories of a "fief" destroyed by the Saudis. The Shammari, that illustrious tribe of the Arabian northeast, fought against the central power until the 1930s. The Mutayyir of the same region and the Harb of Hijaz did the same. These tribes have been conquered or neutralized by marriages, money and the commissioning of their chiefs, but they have hardly, in themselves, been broken apart. The experience of *hijra*** demonstrated the unrealistic nature of intertribal integration schemes, especially in a society where political power is maintained by internal tribal cohesion. The royal family has been content to institute a supratribal order that does not profoundly affect traditional alliances and that could one day turn against the royal family itself.*

Regional: Regional heterogenity is no less of an issue. In Saudi Arabia everyone is aware that the present power is, essentially, a Najdite power. The names of the provinces have been replaced by geographical terms. The existence of a single bureaucracy and the clear economic complimentarity of the provinces of the country have largely helped diminish provincialism, at least on the political level.

Provincialism has not disappeared, and given favorable circumstances it could give rise to attempts at secession. All political opposition must be tempted to appeal to this sentiment. Saudi Arabia covers a territory of over 1.5 million square kilometers. Between one city and another, one province and another, the emptiness of the desert is often absolute. At one time, this emptiness constituted a barrier, if not a boundary. The eastern region, separated by the Nefud, historically has been much more intimately connected with Iraq, Bahrain and even Iran and India than with the Najdite hinterland. In the western part of the country ever since the emergence of Islam, the cities of Hijaz (Mecca, Medina, and Jiddah) have acquired a reknown, an autonomy and enviable contacts with the world at large. 'Assir also formed an independent principality, marked by a certain way of life and a religious tradition different from that of the Najdite conquerors. Jizan and Najran are much more Yemeni than Saudi. From oil-rich Hassa to commercial Hijaz, through bedouin Najd and the "bread basket" of 'Assir, the history, traditions, accents and ways of life differ. In fact, they differ radically, especially with the tribal heterogeneity that further deepens their specificity.

Religious: It seems most likely that dissidents would channel their discontent into a lack of enthusiasm for the Wahhabism that the Najdite conquerors have imposed upon them as a "state religion." For by no means all Saudis share Abdul Wahhab's interpretation of the Koran, more compatible with the traditional customs and harsh life of the Najdi bedouin than with the urban ways of the Hijazi Sunni or the Twelver Shi'is of Hassa. Indeed, the Shi'is, of whom close to 200,000 live in the eastern region, will not soon forget the Wahhabi fanatacism which has oppressed them for two centuries, nor their own religous attachment which has frequently cost them their lives. This stimulates them to maintain strong ties with the Shi'i centers, such as An-Najaf in southern Iraq, Qum in Iran, or Bahrain, where their coreligionists make up the majority of the population.

The Sunni, although they constitute an overwhelming majority of the population, are by no means unified. But despite the constant pressure of Wahhabism, the four recognized Sunni schools continue to flourish in the country. Malekites and Hanafites are numerous in Hassa, while Hijaz and 'Assir respond to Hanbalism—in the Wahhabi version imposed upon them about 50 years ago—through a secular attachment to Shafeism.

These variations would probably mean very little if the fundamentalist Wahhabi doctrine did not appear so inappropriate to the "spirit of the age" that now chaotically pervades the kingdom. If Islam and modernity are reconcilable, Wahhabism certainly does not offer Islam's most

* The question at least poses itself on the provincial level. In a state otherwise highly centralized, there are no local allies to whom the ruling family can confer local government. Four Saudi and two Jiluwi share the six posts in question among themselves.

** *Hijra*—literally "migration"—refers to the break with the nomadic past which every *Ikhwan* believer must make; in the words of ar-Rihani: "leaving the abode among the unbelievers and moving to the realm of Islam."

* The assasin of King Faisal (as well as numerous pro-Iraqi enemies of the king) are bound to the Shammar tribes. The Union of People of the Arab Peninsula is also an organization almost exclusively tied to the Shammar tribes.

supple or innovative interpretation. On the contrary, it seems to widen the gulf between traditional lifestyles and the new social forces that "development," whether chaotic or controlled, inevitably creates. And religious fundamentalism can be a refuge for those who are left behind by the social and economic evolution of the country, as the events of Mecca have shown.

Technocrats and Illiterates

Every year 2500 to 3000 Saudis return from the United States with a diploma from one or another university, to confront a society in which 80 percent cannot read or write. Sixty percent of the urban population alone is illiterate.[13] With the hope of eliminating illiteracy by 1990, the government now operates a thousand literacy centers throughout the country. Recently, several centers have even been created that address themselves exclusively to women. Nevertheless the literacy level remains appallingly low, and the government's goal appears unrealizable.

Education has been progressing rapidly, but not always widely. A great number of students leave school early to go into private business activity. But the number of students attending technical schools remains low, depsite the ambitious industrial projects the country has launched. Training in the laws and history of Islam is a large part of general and specialized education alike. The education of young women is also inadequate, and does not in the least prepare them for the transition to an active life.

The government's undertakings in this area have been enormous. Of the $142 billion set aside for the second five-year plan (1975-1980), $22.7 bilion (16 percent) has been designated for education. The allocation for education increased by more than five times in one year (from $597 million in 1975 to $3.3 billion in 1976.)

Oil workers returning to living quarters in Dhahran.



Saudi Arabia: employment by economic sector and nationality, 1975

Sector	Saudi Arabian		Non-national		Total	Saudi Arabians' share of all employment (%)
	No.	%	No.	%		
Agriculture and fishing	530 700	51.7	54 900	7.1	585 600	90.6
Mining and petroleum	15 400	1.5	11 600	1.5	27 000	57.0
Manufacturing	21 550	2.1	94 350	12.2	115 900	18.6
Electricity, gas and water	7 200	0.7	13 150	1.7	20 350	35.4
Construction	35 900	3.5	203 400	26.3	239 300	15.0
Wholesale and retail trade	60 600	5.9	131 500	17.0	192 100	31.5
Transport, storage and communication	72 900	7.1	30 950	4.0	103 850	70.2
Finance and insurance	5 150	0.5	6 950	0.9	12 100	42.6
Community and personal services	277 100	27.0	226 600	29.3	503 700	55.0
Total	1 026 500	100.0	773 400	100.0	1 799 900	57.0

Source: J.S. Birks and C.A. Sinclair, *International Migration and Development in the Arab Region* (Geneva: International Labor Organization, 1980), p. 160. These figures tend to understate the number and proportion of non-Saudis in the workforce. The authors observe on p. 76 that the contribution of Saudis "to the modern sector workforce, or even to the productive sectors, is so limited that in some areas of the labor market migrants comprise an overwhelming majority." According to Tim Sisley in the *Financial Times* (April 28, 1980), Saudi officials informally estimate the total number of foreign workers at 1.5 million, or 75 percent of the workforce. "That may be too optimistic," he comments.

The Saudi Bourgeoisie

The old merchant bourgeoisie of the Arabian port cities long antedates the Saudi monarchy. In fact, some of these wealthy merchants lent money to Ibn Saud to finance his conquests. But though the House of Saud depended to some extent on the merchants, they were never aspirants to power as a class.

In recent years, the Saudi bougeoisie has grown enormously—through speculation, agent's fees, bribery, corruption, and occasionally some entrepreneurial efforts. Developing largely through connections with the Saudi royal house, partnership with the state and partnership with foreign businesses, the Saudi bourgeoisie has remained weak in spite of its growing wealth. But it aspires to a share of state power, and here lies its potential support for political change.

The new bourgeoisie is often identified with such colorful international figures as Adnan Kashhoggi and Gaith Pharaon, who have personal fortunes as large as any in the world. With business on several continents they appear in the business press making deals in their private jet aircraft. They are not typical, however. Most of the Saudi bourgeoisie restricts its activities to Saudi Arabia or at most the immediate region. Their names are therefore relatively unknown.

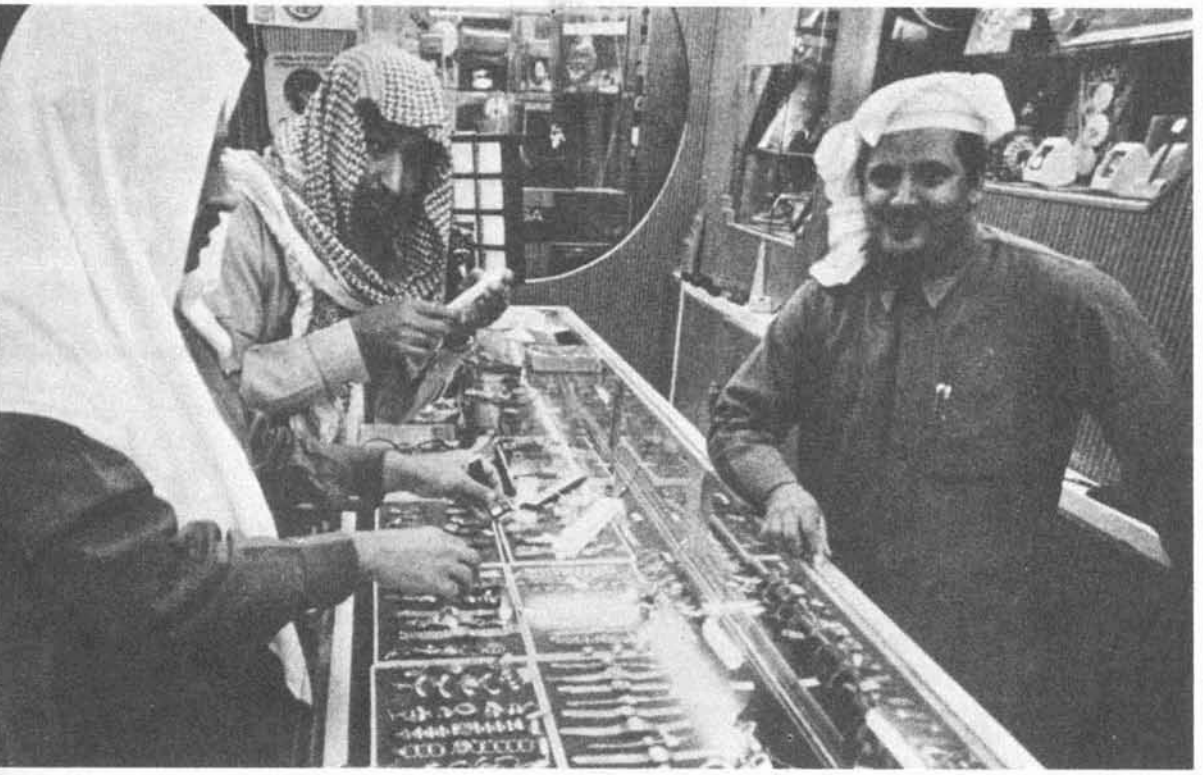
Of the new bourgeoisie, many have emerged from the old merchant families. A typical case are the Ali Rizas of Jiddah. Two brothers of this family—one who was governor of Jiddah—founded an import-export company in 1862. It shipped rugs, pearls, spices and other products from India, Iran and Ethiopia and then sent them via camel to the interior for sale. For many years it also worked with steamship companies to bring pilgrims to Mecca. Then in 1940 it became the exclusive Ford Motor Company dealer in Arabia. After the war it became the dealer for Westinghouse, ITT, and Omega and Tissot watches. The family ran the port of Jiddah until 1960, and one of its members was Minister of Commerce. Dealerships were set up elsewhere in the peninsula and in Libya. Today, the many descendents of the founders have become partners or shareholders in innumerable companies in various sectors: large public works (Arabian Italian Engineering Contractors, ALCO); heavy equipment importing (Haj Abdullah Aliriza & Co., Ridyat Co.); real estate (Riza Investments); manufacturing (National Chemicals Zaynal for Industries, Saudi Textile); services (Arabian Petroleum Supply Co., Law Saudi Engineering, Federal Electric Alireza, Middle East Engineering, Lamnalso Saudi Arabia), modern transport (Al-Hilal Transport, Saudi Bulk Transport), construction for petroleum exploration (Brown & Root-Alireza, Lamis-Alireza, Dames & Moore Saudi Arabia).

In other cases, Saudi capitalists have emerged from more humble origins during the petroleum boom. Muhammad Ibn Laden was a mason at Aramco. He got his start building a driveway for automobiles in the King's palace. He went on to build the road from Jiddah to Medina and to become the biggest contractor in Saudi Arabia. The Juffali are another example. They were peasants and set up a tire store. They became rich through investments in electical utilities, then they profited as importers of Mercedes trucks. Now they have set up a Mercedes assembly plant.

The government's objective is to double the number of primary students from 760,000 in 1975 to 1.3 million in 1980, which would allow every Saudi boy and one out of every two Saudi girls to enter school at the age of six. Students entering secondary school should rise from 20,000 in 1976 to 40,000 in 1980. The number of Saudi high school graduates should grow from 9000 in 1975 to 21,000 in 1980 in order to reduce the presence of foreigners, mostly Egyptians and Palestinians, who now are 63 percent of the teachers at the middle level and 82 percent of those at the secondary level. In the field of technical education, only schools of commerce appear to attract young Saudis (1000 in 1976), at the expense of schools related to agriculture and industry.

The country currently has two modern universities (Riyadh and Jiddah), two Islamic universities (Mecca and Medina), and a number of schools of higher education of which two are for women. The University of Petroleum and Minerals of Dhahran enjoys special attention. The few who enter are entirely taken care of by the state, which seeks to develop a corps of oil experts to rival those of Western Europe and the United States. In this way the regime has created an experimental institution, outside the restraints of theology and the classical university, and in contrast to the law schools of Mecca and Medina. It also represents another social division, but one that is at the very heart of an emerging new class of officials.

This division—along with the young Saudis' lack of interest in professional training, the oppressive weight of traditional education, the great number of illiterates and the absurd waste of women's potential—detracts from the success of the kingdom's educational projects. The duality—



Jewelry shopping in Riyadh.

Many who have worked in the government have been able to make a fortune through their connections or inside knowledge. The four Sudayan brothers are an example. Their father was a mason. Several brothers got jobs in the expanding administration in Riyadh. Soon they began to function as real estate agents and set up an agency, concentrating on the north section of the city. Their first big deal came in 1969 when they bought land from a princess using a joint stock company to raise the capital. Divided into lots, the land was sold at a hundredfold profit. The brothers continued in land sales of this kind. They also began building groups of fifteen or twenty homes; soon they were building thirty to fifty homes per year. Three brothers then set up Al-Suaydan Company for Commerce and Industry. It began by importing construction materials, then expanded into pre-fabricated cement and aluminum fabrication. It accumulated dealerships in various products including elevators. A construction subsidiary now builds clusters of homes, often with supermarkets; it is planning construction of a hotel in Riyadh and has set up a real estate subsidiary in Jiddah.

—*J.P.*

Source: *Paul Bonnenfant, "utlisation des recettes petrolieres et strategie des groupes sociaux en peninsule arabe,"* **Maghreb/Mashrek** *no. 83, pp. 61-63.*

one highly technical, the other extremely traditional—again grows out of the regime's desire to provide instruction without being turned upon by those who benefit.

It should be possible for all bedouins, a greater number of women and a larger proportion of educated Saudis to find work in this rapidly-transforming country. And here, also, the second five-year plan embodies great hopes which will not be realized. The government predicts an annual employment increase of 3.4 percent, and greater participation in the economy on the part of groups presently underemployed, notably bedouins and women, through increased career training. The government currently organizes on-the-job training at various levels, which should lead to a net increase of 142 percent in technical labor and 124 percent in administration.

No one doubts the extent of the government's efforts. But the basic problem remains: how to bring people under the discipline of wage labor when it is foreign to their bedouin subsistence way of life. They seek a quick route to wealth rather than public or private employment. Under these circumstances the number of foreign workers is bound to increase in the period ahead.

Foreign Workers

Official figures for 1975 claimed that 314,000 non-Saudis were working in the kingdom. The government anticipated an annual increase of 21 percent over the five following years for a total of 813,000. This cumulative increase of 159 percent was well above the 18 percent rise in the Saudi labor force.

But these figures cannot be trusted. The 1975 figure is clearly underestimated. Wells thinks it should be doubled to 600,000 foreign workers (against 900,000 nationals), while *Le Monde* puts the figure at one million for the same year.[14] Just a year and a half later, Eric Rouleau made an estimate of 1.5 million. He mentioned the case of an industrialist employing 1040 workers, of whom only four were Saudi. The Mercedes assembly plant near Jiddah employs no Saudis except as chairman: it is managed by 15 West Germans, and employs 250 Turks on the assembly line.[15] Until 1972, a large number of Yemenis were able to enter the kingdom without a passport, and they alone made up almost a million workers. These individual estimates suggest that the foreign workforce, if it continues its current rate of growth, could very soon pass the two million mark. Even the official figure of 813,000 foreign workers in 1980 would equal almost 20 percent of the Saudi population, and this does not include the families of the immigrants.

This has enormous impact: the departure of immigrant workers would completely paralyze the country's economy, whether we are talking about the European pilots of Saudi Airlines or the Yemeni port workers. It is also a gamble for the future because "the fate of every attempt at industrialization will depend on the ability of the government to absorb the foreign worker."*[16]

Although the kingdom does not publish accurate figures, available information indicates that today over a million Yemenis are employed as unskilled manual laborers, colonies of immigrant Sudanese, Egyptians, Palestinians and Libyans each ranging from 100 to 300,000 work in government offices, schools, or other "white collar" positions. A large number of Indians, Pakistanis, South Koreans and Malaysians work in occupations as diverse as doctor, technican, unskilled manual laborer. Close to 40,000 Americans, and some 20,000 Western Europeans, are engaged in different aspects of modern technology or finance.

Such a large number of non-Saudis constitute a real danger to the kingdom. Jiddah, the commercial center of the country, is like Kuwait—60 percent of its 800,000 inhabitants are foreigners. Large salaries attract foreign workers—an unskilled worker can make at least $5000 a year. Close to 2000 people who entered the country illegally mostly on the *hajj* pilgrimage are repatriated every month, and the South Koreans who tried to strike were immediately deported.

In an effort to impose restraints on a situation threatening to get out of control, and despite strong opposition from neighboring countries, the government in March 1976 published a decree requiring foreign firms with a major contract (involving more than $28.5 million, more than 50 employees and lasting more than three years) to import the necessary workers, provide housing, and guarantee their loyalty. This policy favors Asian firms controlling cheap labor, especially Koreans, which assure the success of their firms by sending ex-military officers as foremen to maintain order among their nationals.

Rich and Poor

There are important precapitalist features to the way wealth is distributed in Saudi Arabia.[17] The most impoverished in Saudi society are the bedouins (settled or nomadic), the non-Saudis (especially Yemanis), and the Saudis who have no access to the ruling clan—no family tie, no community of faith, no ancient nobility capable of selling its support.

Although the present phase of development encourages an increasing amount of mobility, individual success stories still tend to be exaggerations. Oil revenues remain in the hands of the state, or, or be more precise, in the hands of influential members of the royal family.

The government has created a number of "funds," especially since 1973, to distribute a very limited part of these revenues to individual citizens for personal needs (such as building a house) or commercial projects such as opening a factory. The terms of these loans are very good—repayment over a 20-year period without interest and with only a small two percent service tax.* These allocations rarely result in anyone's getting rich, however. That requires close ties to the regime.

Important urban families have infiltrated the state structure and established intimate relations at the highest levels. Thanks to a system of sponsorship and partnership, this comprador bourgeoisie profitably concentrates on mixed industrial projects with the state, on franchises for the most powerful Western firms and, more recently, on large public works and consulting projects. This symbiosis of the traditional power and the urban bourgeoisie flourishes amid persistent and reciprocal suspicion. It has lead to a bourgeoisification of the royal family through an increasingly open involvement of the princes in business.

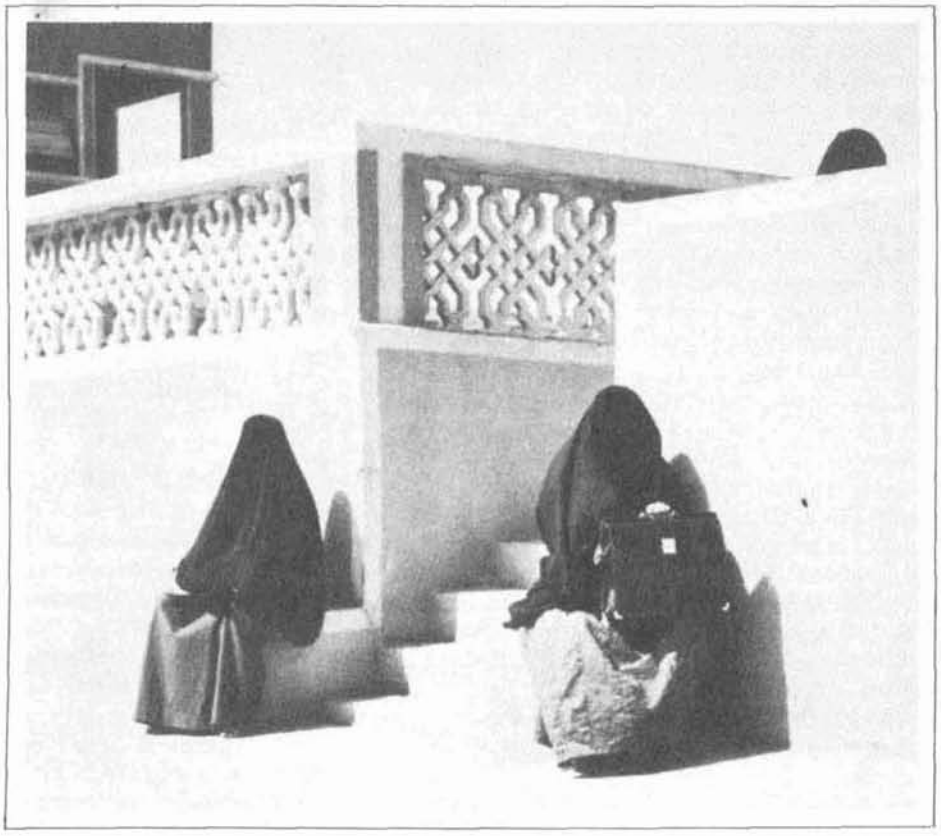
The relationship is clearly unequal: a prince can become a businessman more easily than a Jiddah merchant can become a minister. This sort of transformation is limited to a small circle, difficult to enter for persons outside the royal family, its close allies, or the traditional merchant families of Hijaz or Hadhramaut. The population as a whole remains dependent upon state assistance and increasingly feels the effects of the concentration of wealth as an extension of the concentration of power. Neither underdevelopment, nor tribalism, nor a hegemonic religious superstructure can slow down or even camouflage the rapid emergence of increasingly distinct social classes.

Men/Women

The public Saudi society which confronts this colossal transformation is composed almost exclusively of men. Women benefit widely from the new wealth in the form of household appliances and other conveniences now at their disposal, but their voice is never heard in politics or business. A Saudi woman can now obtain a passport in her own name, but she cannot yet travel without a close relative. She cannot drive an automobile, visit a museum, nor, with few exceptions, choose her own husband. Although women

* The problem is not new. In the early 1960s an observer noted that "the Saudi government would not be able to function without oil revenues and technical aid. Without the Egyptians and the Palestinians there would be no administration and no schools." A royal decree of August 31, 1954 had stated that 75 percent of a firm's employees must be Saudi. This has clearly remained a dead letter.

* At least six institutions were created to serve as channels of distribution for state capital in particular directions under conditions which often permit these loans to be viewed as gifts: The Saudi Industrial Development Fund (1974), The Public Investment Fund (1971), The Real Estate Development Fund (1975), The Agricultural Bank, The Credit Bank, The Contractor's Fund.



Original caption Saudi government publication: "The briefcase and veil of girl students in Riyadh illustrate how educational advance and traditional customs march in company."

have been admitted to the University of Riyadh since 1962, they take courses separately, through closed circuit television, and are rarely able to enter professions other than teaching or nursing in women's hospitals.

The segregation of the sexes is profound—at home, at school, in the street, the barriers are strictly maintained. The regime has encountered many obstacles in establishing education for women. The first girls' school dates back to only 1960, and the first secondary school to 1969. Traditional groups were firmly opposed to women's education, and currently they frustrate any attempts to introduce women into more active social roles. In 1975, 27,000 women worked in the few fields open to them versus 1.2 million men in the same professions. The government hopes to bring the number of working women up to 48,000 by 1980 by increasing the number of posts in the fields already reserved for them rather than by allowing them to enter other sectors, such as office work.

The Minister of Information speaks of the necessity of "utilizing this enormous potential which otherwise would be a great waste of labor," but he runs up against the intransigence of traditionalists who insist that the Institute of Public Administration be reserved for men, and who instruct Saudi ambassadors to forbid women students abroad to enroll in the faculties of engineering, education, commerce, economy and politics out of a "concern for the preservation of the dignity of women."

The Saudi woman faces more than the well-known rules of traditional Islam—she faces precepts of the fanatical Wahhabi sect upon which the legitimacy of the Saudi regime is based. The kingdom which so desperately needs labor absurdly excludes half of its population from public life.

Such discrimination could lead eventually to protests, but more than feminist opposition groups will be needed. The country must wait for the growth of the social and political opposition groups which place the liberalization of mores prominently on their agendas. Such a process would accentuate the dilemma of the regime since liberalization could not be limited to the domain of morality. The film "Death of a Princess," by invoking so much polemic, has shown the vulnerability of the regime on this point, the revolt of a woman having unveiled the general hypocrisy of the system.

Is There an Opposition?

The contradictions emerging from the Saudi social transformation have yet to produce marked effects on the evolution of the political regime. The regime's short-term stability is aided by a number of factors: internal cohesion of the family in power despite clan divisions and princely rivalries; the favorable regional context since the June 1967 war and the demise of Nasser; financial resources more than adequate to fund a policy of appeasement and allegiances internally and regionally; Washington's fervid commitment to the regime's survival; an organized and efficient repressive apparatus, the clear majority of Sunni Muslim Arabs (thus avoiding the divisions like those of Lebanon, Iraq, Sudan); and the weakness, disorganization and disunity of the opposition.

"Commoners" have been increasingly brought into the Council of Ministers. Their appointment to higher, yet still technical, posts shows the regime's recognition of their competence but simultaneously its concern to limit their role in the political sector. These technocrats occupy either newly-created posts in such fields as planning and indus-

try, or posts hitherto filled by foreigners, or posts reserved for the representatives of the non-Saudi tribes. To avoid arousing frustration among either technocrats or tribal representatives, the regime appoints ministers with both tribal attachments and the benefits of a higher education. Thus, of the 14 "commoners" found in the cabinet, at least 10 use both the titles of "shaikh" or "doctor," depending on the audience. Members of the Yamani, Khwaiter, Nazir and Massoud families are among this number. The designation of the descendants of Abdul Wahhab to technical posts, and their partial eviction from their traditional strongholds in Justice and Religious Affairs, further exemplifies this compromise.

Initially and involuntarily, King Saud raised the commoners' hopes. Beset by the royal family and severely criticized by Faisal, he appealed to them in 1960 and formed "a cabinet of commoners." But this cabinet was replaced 15 months later by another, dominated by brother ministers Faisal, Fahd and Sultan, and more in keeping with the character of the regime. The technocrats retained a few posts, though they were barred from all political activity. The 1962 replacement of Tariki (a nationalist) by Yamani (a Westernized technocrat) at the Petroleum Ministry is typical of this process.

In 1965 the Saudi cabinet was composed of 14 ministers: five princes of the royal family, three representatives of the Ash-Shaikh family, and six commoners serving as ministers of petroleum, agriculture, communications, information, health and labor. Following the 1975 reform, the government included 25 ministers—eight were princes, three from the Ash-Shaikh family and 14 were commoners.* Three of them served as ministers without portfolio and, like the technical ministers, they do not have access to the political ministries of the interior, foreign affairs and defense, or to the closed circle of princes who formulate policy.

Despite such limitations, these men hold important posts. The technocrats' influence must be measured by the confidence that the real political power has in them, not by the rank that they hold in the state hierarchy.

How long will these shaikh-doctors accept being treated as councilor-officials even through they hold the ministerial title? No sign of revolt is evident. In 1975, however, the crown prince embarked on the establishment of a "consultative council," a sort of parliament, appointed by the regime, of 30 to 40 "young" representatives from tribal groups and technocrats. It was to have "a great role to play." But Fahd did not follow through with this experiment. Four years after the announcement of "the forthcoming designation of members of the council," nothing whatsoever had happened.

No one in the kingdom publicly calls the crown prince to account. He may have changed his mind, faced too much opposition from the clan which has had little appreciation for changes that could dilute its absolutism. Perhaps he was seeking to forestall an uprising of the technocrats. Will the regime refuse future concessions which do not fundamentally threaten its hold on the country? It seems to have the means to do so: in the face of a highly organized central authority, the technocrats and bourgeois remain isolated individuals, promoted or ignored at will.

The minimal political role of the technocrats and bourgeois may even be decreasing. A few big merchants lent money to the government in the past, but with today's oil revenues the regime no longer has any need for them. The regime allows the upper middle class a great deal of freedom to enrich itself while building up, through various princes, a close network of relationships with the richest merchants and entrepreneurs. The bourgeoisie can play on the rivalries and differences at the heart of the royal family, but even the most ambitious can see how anti-democratic the Arab regimes are, whatever their ideologies. Hence, the discretion, even the passivity, of these aspirants to power.* As for the military, the classic *coup d'etat* can be envisioned only as a result of a break in the internal cohesiveness of the royal family.

The Political Opposition

A royal decree of June 11, 1956, (No. 217/23) imposes a penalty of at least one year in prison for striking or inciting strikes. The decree of 1961 forbids the profession of any ideology other than Islam, or the formation of political parties. It calls for the execution of anyone who "engages in violent action against the state or the royal family." The state completely controls the radio and television media, and movies are forbidden. The Ministry of Information was created in 1962 to monitor the press, and a 1964 code drastically restricted the right to start a periodical and accorded the ministry the right to shut down newspapers and veto editorial candidates or demand their resignation. In 1971 the state established an information agency to feed the media "selected" material. All this at least partially explains the low profile of political parties and their weakness.

The Saudi Communist Party originated in the National Reform Front, which was founded following the 1953 ARAMCO strike. By 1958 the Front no longer satisfied the militants who disagreed with its practices and its reformist title. It became the National Liberation Front. In 1963, the NLF entered the Arab National Liberation front, associating with the dissident Prince Talal and his brothers. The ANLF's program sought to transform the country into a constitutional regime and to leave to a referendum the choice between monarchy and republic. The program also included a revision of the agreements with the oil companies and an international policy of active non-alignment. but the ANLF suffered from a very heterogenous membership, which included in addition to the four rebel princes, Nasserites, Ba'thists, and Shi'i religious leaders. Nasser, who supported the Front, is said to have told them to form a liberation army, a rather unrealistic proposal. The Front also had some support from Iraq.

The communists decided it would be more to their advantage to maintain a presence at the heart of the ANLF while acting autonomously through a secret group formed in Beirut—the Organization of Saudi Communists. The NLF and the OSC disappeared very quickly, and the few

* They occupied five of the six technical positions cited above plus those of Education, of Commerce, of Post, Telegraph and Telephone, of Industry and Planning.

* Bonnenfant writes in this regard: "Today, the great commoner families appear closely linked to the power which grants them so much opportunity to succeed in business. Certainly, these families hope for a loosening of certain moral constraints, particularly those involving leisure. They may desire the establishment of more democratic structures to enable them to participate more fully in the government. But they know that a liberalization of the political institutions would inevitably lead to struggles that would threaten them. In short, they accomodate themselves to an established order favorable to them, and prefer to entertain themselves outside the countries of the peninsula." See footnote 17.

The Shi'is of Saudi Arabia

On Feburary 1, 1980, the first anniversary of the Ayatollah Khomeini's return to Iran from exile, hundreds of Shi'i residents in the eastern Saudi town of Qatif staged a violent demonstration after the Friday congregational prayer. They set fire to cars and busses, and badly damaged the local offices of the kingdom's largest bank (the Saudi-owned National Commercial Bank) and the largest money changer (Al-Rajhi Company for Currency and Exchange). At least four persons were killed when security forces moved in. The town was completely sealed off for more than 24 hours. Three days later, as US National Security Adviser Zbigniew Brzezinski conferred with Saudi leaders in the capital city of Riyadh, only a handful of Qatif's shops were open.

Qatif, an oasis town with a population of 60,000, is about 40 miles from the main Saudi refinery and export terminal of Ras Tanura. It is the largest concentration of Saudi Shi'is, who number about 300,000. The February demonstrations occured just two months after larger outbreaks of violence in Qatif and the neighboring town of Seihat. At least 17 were killed on November 29 and 30 when some 20,000 National Guard troops were moved in. At that time the local branch of the Saudi British bank was a main target. The February demonstrations specifically targeted Saudi-owned rather than foreign banks.

According to persons who visited Qatif between the two incidents, the walls of the town had been covered with anti-government slogans, and exhortations to remember the "martyrs" of the November events. The end of the traditional 40 days of mourning passed without incident, but the anniversary of Khomeini's triumphant return to neighboring Iran apparently re-kindled resentment that concessions made in December had not been honored. Shi'is have virtually no representation in the government, even locally. They make up more than half of the nearly 22,000 Saudis employed by Aramco,* but have otherwise been largely excluded from the benefits of the oil industry that accrue to the Sunni population.

The concentration of Saudi Arabia's Shi'i population in and around the oilfields is the cause of some worry to the regime. Western sources reported that a crude oil pumping installation at or near Ras Tanura was damaged just after the November incidents, leaving "a heavy odor of petroleum in Dhahran." According to Saudi opposition sources in Beirut, the demonstrators in November chanted slogans opposing the sale of oil to the US, as well as more general slogans against the regime. This area is the locus of the Saudi Communist Party's limited popular base. In early 1979 there was a report of labor strife in Dhahran, which led to the defection of a garrison commander and 37 soldiers who refused to quell the disturbances.

—*J.S.*

* The estimate of Shi'is employed by Aramco is from the *Financial Times* (Feb. 5, 1980). A *New York Times* report (Dec. 6, 1979) put the proportion at 35 percent. Aramco would not provide an estimate when asked by MERIP.

Saudi communists who remained used the name of the NLF until August 1974, when the leadership of the Front appointed a "preparatory commission for the first congress of Saudi Communists." The congress took place in August of 1975 and adopted several resolutions, including a program and a change of name to the Communist Party of Saudi Arabia. The congress also elected a central committee, which elected a political bureau and a first secretary.

The tenets of the CPSA do not appear very innovative.[18] Internationally the alignment of the CPSA is unconditionally pro-Soviet. It believes that "certain symptoms of liberalism are beginning to appear in the superstructure of the quasifeudal and capitalist social system." It claims to be favorably disposed towards "a patriotic, democratic and republican regime" which would establish a constitution, guarantee public liberties, parliamentary procedure and the freedom of political parties and labor unions, institute citizen equality, reestablish diplomatic relations with the USSR and move toward the nationalization of mineral resources and the industrialization of the country. In spite of its efforts, the party does not seem to have attracted much mass support.

There are innumerable other Saudi opposition groups—all with scant followings—which emerged from the fringes of Arab nationalism and are closely related to the Ba'th Party, the Arab Nationalist Movement, or Egyptian Nasserists. The Union of the People of the Arabian Peninsula, founded in 1959 and supported by Cairo, was the most important and the most heterogenous of these groups. The UPAP, led by Nasir as-Said from the Shammar capital of Hail defines itself as "a revolutionary Arab organization, believing in scientific socialism, and struggling to bring down the corrupt monarchy." The UPAP is committed to the total unification of the Arabian Peninsula.

The Socialist Front for the Liberation of the Peninsula was, contrary to its name, a Hijazi group preaching the autonomy of that province. The Democratic Popular Movement constituted a local splinter of the Party. There was also the aforementioned Arab National Liberation Front led by Prince Talal. These groups on the whole

experienced very brief lifespans, limited membership and severe repression.

The Organization of the National Revolution, founded by one-time members of the Arab Nationalist Movement, tried to revitalize the opposition towards the end of the 1960s but without success.[19] The Saudi branch of the Ba'th was founded in 1958. Support from Baghdad from the late 1960s through the mid-1970s gave it the means to spread its views—means which did not accord with its actual strength.[20] An independent Marxist group, the Democratic Popular Party, took over the Democratic Popular Movement and continues to publish *Al-Jezira al-Jedida* irregularly. But the secession and regrouping of part of the group around another publication, *An-Nidal,* has weakened this party.

The Saudi opposition, whether the potential opposition of the new middle class or the organized opposition of this or that political group, cannot expect a substantial change in the situation except through developments largely independent of its will, without which any initiatives appear suicidal.

The opposition must first of all exploit to the fullest the few conflicts at the heart of the royal family. The *coups* posing the most serious challenge to the regime originated in these conflicts—the Saud-Faisal struggle, Talal's dissidence, the assassination of Faisal in 1975. In the absence of at least a minor rebellion in the royal family, it is reasonably safe to conclude that the regime will remain strong.

The Saudi family holds an incontestable position—an opening to the population, a martial tradition, secular alliances, modern means of repression, and a thorough infiltration of the armed forces. The Saudi family, moreover, has developed a system of internal controls to circumscribe, at least up until now, the consequences of its undoubtedly numerous quarrels. The informal consultative assembly of princes organized the peaceful transitions which permitted Faisal to dethrone Saud in 1964 and Khaled to succeed Faisal in 1975. It seems that this system, founded on consensus, must weaken or fall apart before any radical change in the political order can occur.

There is a regional and international category of "necessary conditions" as well. The Saudi regime maintains itself through a combination of the marked weakening of Arab nationalist forces since 1967 and of Washington's ongoing support. It is unrealistic to forecast the fall of the regime at the very moment when Western dependence on its oil is assuming enormous proportions, when the regional situation remains unfavorable to Arab radical forces and to the USSR, and as long as the United States sees no credible alternative more favorable to its interests than the current regime. The kingdom, in fact, occupies a nodal point in the international system. Unless regional or international settings are radically altered, Saudi opposition will remain ineffectual.

It is possible to envisage a liberalization through the joint pressure of "the new middle class" and the Americans. The crown prince supposedly sympathizes with such a course. In the past, however, four monarchs have promised a constitution without its being established. Without the favorable disposition of at least a branch of the royal family, such a project would require the exertion of greater pressure by those who stand to gain—in other words, strengthening of class consciousness based on existing social structure. But Saudi class consciousness presently seems rudimentary, for a country transforming itself at such an unexpectedly rapid pace.

—Translated from the French by Vivian Stei

FOOTNOTES

[1] *Le Monde*, November 2, 1974.

[2] Speech of 25/1/1963, in *Faisal Yatakallam* (a collection of his speeches, in Arabic).

[3] *Le Monde*, Nov. 2, 1974.

[4] Saudi nationality was reserved for Muslims alone. A decree of 1961 forbids the profes sion in the kingdom of any ideology other than Islam. The Islamic *zakat* is the only direc tax collected by the government.

[5] W. Rugh, "Emergence of a New Middle Class in Saudi Arabia," *The Middle Eas Journal*, vol. 23, no. 1, pp. 7-20.

[6] Report of the Staff Survey Mission to the US House of Representatives Committee o International Relations, *US Arms Policies in the Persian Gulf and Red Sea Area* December 1977, p. 22. In April 1978, the National Guard signed a billion dollar contrac with a British firm for an electronic communications system independent of that of th army.

[7] E. Penrose, in D. Hopwood, ed. *The Arabian Peninsula*, pp. 275-6.

[8] J. Malone, *The Arab Lands of Western Asia.*

[9] J.P. Peroncel-Hugoz, *Le Monde*, June 21, 1975.

[10] A few of the more serious estimates are: World Bank (5 to 5.5 million); Wells, *Saud Arabian Development Strategy* (5 million), Lencowski (4.5 million).

[11] *Le Monde Diplomatique*, May 1975.

[12] M.M. McConohay, special report in *International Herald Tribune* February 1978, p. 1

[13] These figures are taken from the central Planning Organization's *Development Pla 1975-80.*

[14] Wells, p. 10; *Le Monde*, June 21, 1975.

[15] January 24, 1977. Senator Mike Mansfield, during his visit to the kingdom, noted tha there were as many Yemeni workers living there as adult Saudi males. *Saudi Arabia*, p.

[16] Wells, p. 10.

[17] P. Bonnenfant, "Utilization des recettes petrolieres et strategie des groups socieux e peninsule arabe," *Machreq-Maghreb* no. 82, pp. 60-69, and no. 83, pp. 61-72.

[18] See the documents of the first congress in *Watha'iq al-Mu'tamar al-Awwal al-Hiz ash-Shu'yu'i fis-Saudia*, August 1975.

[19] See the analysis of the Saudi situation in *al-Hurriya* (Beirut), June 10 and 17, 1968, an H. Lackner, *A House Built on Sand*, pp. 98-106.

[20] This group enjoyed many hours of air time on Radio Baghdad, and published some 2 issues of *Saut at-Tali'a*. The Saudi branch of the Ba'th was founded in 1958.

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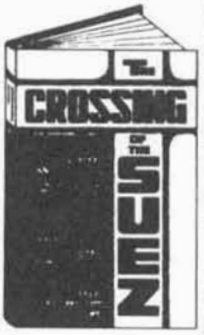
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Saudi Arabia and the US

by Joe Stork

The close ties between the United States and Saudi Arabia, like all such relationships, operate on several levels—strategic and military, political, and economic. More than with any other US client or ally, though, the connection with Saudi Arabia rests preeminently on economic grounds, in particular the US stake in Saudi oil resources, described by the State Department in 1945 as "one of the greatest material prizes in world history."[1]

"The Jackpot of World Oil"

This oil-based relationship is almost as old as Saudi Arabia itself. The concession with Standard Oil of California, which later became the Aramco stake, was signed in 1933, the year after Abdul Aziz Ibn Saud formally bestowed his name on his conquered territories. Drilling began in 1935 and commercial fields were first discovered in 1938. Texaco bought in to the concession at this point, to help provide the overseas markets that Socal lacked.

Offical US government involvement soon followed. The outbreak of World War II interrupted two of the king's main sources of revenue—oil production and the Mecca pilgrimage. Wanting to come up with the $6 million demanded by Abdul Aziz, but not out of its own pocket, Socal pressed President Roosevelt to provide official US funds. In February 1943 FDR wrote the Secretary of State "that the defense of Saudi Arabia is vital to the defense of the United States," thus making Abdul Aziz eligible for $17.5 million in US funds between 1943 and 1946.

Socal and Texaco dubbed this joint venture the Arabian-American Oil Company (Aramco) in 1944, and by 1948 brought in Jersey Standard (now Exxon) and Mobil, with their extensive European markets and access to capital funds for projects like the Trans-Arabian Pipeline. US policy after the war, as formulated by corporate and government officials, had two primary goals. The first was to maintain and expand US control of Middle Eastern reserves, particularly against greatly exaggerated British competition. A second goal was to increase Middle East production and "to substitute Middle Eastern oil for Western hemisphere oil" in Europe and other "eastern hemisphere markets."

In order to "guard against political complications" that might threaten this tidy arrangement, the companies collaborated with the Treasury Department on a "profit-sharing" deal that would nominally give the producing regimes 50 percent of industry profits and deduct that amount from the companies' US tax bills. Former Assistant Secretary of State George McGhee recalled in 1974 that

> At this time, the principal threat to the Middle East lay in the possibility of nationalist leaders moving to upset regimes which were relatively inept and corrupt, and not attuned to the modern world . . .
>
> . . . in Saudi Arabia, there were special problems, over and above the general problems of the region . . . Finance Minister Abdullah Suleiman . . . was proving very difficult to deal with . . . Both the Aramco officials and the Department had, independently, reached the conclusion that something had to give . . . Every expert who had ever looked at it had said that this was the "jackpot" of world oil . . . We felt it exceedingly important from the standpoint of the stability of the regimes in the area and the security of the Middle East as a whole and the continued ownership of our oil concessions there and the ability to exploit them, that the Government of Saudi Arabia receive an increased oil income.

In the 1950s, Saudi Arabia accounted for nearly 40 percent of total oil industry investments in the Middle East, and nearly 30 percent of total production. Payments to the royal family in the 1948-60 period were nearly $2.9 billion. Aramco net profits were somewhat higher—nearly $4.2 billion. While the profit-sharing was not quite 50-50, it did succeed in solidifying the economic terms of the Aramco-Saudi relationship.

King Faisal and US-Saudi Relations

The political terms of the relationship were another matter. The venality and corruption of the Saudi regime under King Saud, when set against the crescendo of Arab nationalist politics after the Suez invasion of 1956, revealed con-



LBJ with King Faisal.



Nixon in Riyadh.



Carter and Crown Prince Fahd.

siderable political vulnerability. Paradoxically, the weakness of the regime permitted the emergence of a forceful and visionary director of petroleum affairs, Abdullah Tariki, who, along with his Venezuelan counterpart, launched OPEC in 1960. The power struggle between King Saud and Crown Prince Faisal was brought to a head by the republican *coup* in neighboring Yemen in September 1962. Within a month Faisal was effectively in charge, although he did not formally replace Saud for another two years. The US role in these maneuverings remains obscure, although its stake in the outcome was considerable. A letter of support from President Kennedy noted US reliance on Faisal's "firm and wise leadership." Tariki was removed from his position and banished from the kingdom. His replacement, Shaikh Ahmad Zaki al-Yamani, would play an equally large role in OPEC's formative years, but inflected it in a much different direction.

Although US policy in the Yemen conflict outwardly differed from that of the Saudis by recognizing the new regime in Sana'a, the purpose was to insulate Saudi Arabia from the contagion of anti-monarchist politics now implanted on the peninsula. Diplomacy was supplemented by a show of force when, in November 1962 and again in early 1963, USAF Phantom jets were dispatched from West Germany to Riyadh and Jiddah, US warships visited Jiddah port, and US paratroopers and C-130 transports participated in Saudi military exercises.

Faisal's consolidation of power after 1964, and with it the prospect of bureaucratic rationalization and political stability, marks the start of a new phase of Saudi-US relations. As a House Foreign Affairs Committee report noted in April 1965,

> After a generation in which oil revenues were not turned to proper account, Saudi Arabia, under King Faisal, now appears to be assuming a responsible attitude toward economic development.

US Army Corps of Engineers involvement in Saudi construction projects, and the provision of sophisticated arms to the kingdom, date from this period.* On the civilian side, a Central Planning Organization was set up by decree in 1965, but accomplished little until Hisham Nazer took it over in 1968 and brought in a team of US "experts" under contract with the Stanford Research Institute to work with US-trained Saudis (the so-called "California Mafia").

Saudi oil output climbed steadily through this period, continuing to represent just over 30 percent of total Middle East production (Libya excepted). Aramco profits in the 1960s averaged nearly $350 million per year, up somewhat from the $321 million average in the 1950s but at a greatly reduced rate per barrel. Of much greater importance for the large oil firms was the Saudi role in OPEC. In the person of Shaikh Yamani, Saudi Arabia went out of its way to undermine the struggle for national control of the industry, particularly as waged by Iraq. "I believe we in Saudi Arabia have set an example worthy of emulation as regards the establishment of a truly fruitful relationship with the oil industry," Yamani said in 1966. Speaking pointedly to the two Aramco partners, Exxon and Mobil, with a stake in Iraq, he added,

> I am sure that the oil companies operating in Saudi Arabia have no interest whatsoever in shaking our faith in this philosophy by showing us that other means are more rewarding in safeguarding our oil interests.

The June War of 1967 provided the opportunity for the Saudis to extend their conservative influence more broadly in the Arab political arena. The Arab defeat led to strikes and demonstrations in Saudi Arabia and elsewhere, resulting in numerous arrests and deportations, and some damage to Aramco property. These were easily contained. The Saudis moved quickly to use their financial leverage over President Nasser to terminate Egyptian support for radical nationalist activities on the peninsula. The Saudi role in financing Sadat's "American strategy" had its origins here. They lost no opportunity to remind the industrial countries that the oil producers like themselves had "incurred very heavy financial burdens" in maintaining the flow of oil to international markets "in the present political turmoil," and expected "a broad measure of understanding when it comes to their current drive for an increase in their oil revenue."

Rising oil revenues became, in the 1970s, a distinguishing characteristic of the decade. Saudi Arabia's importance as a market for US exports and as a source of investment funds grew commensurately. The quickening economic pulse of the region, meanwhile, became inextricably linked with its political dynamics, as reflected in Saudi Arabia's involvement in the October War and its aftermath. Politically the Saudi regime had become, by the time

* Including the sale of Raytheon's Hawk anti-aircraft missile system, and an Ordnance Corps Program to supply the Saudi army with some 9,000 tactical and general purpose vehicles and train 4,000 Saudis in their use and maintenance. A major contract for jet fighters was tossed to the British to help provide them with badly needed foreign exchange.

of Faisal's assassination in 1975, a state whose leverage within OPEC and the Arab regimes was an essential component of US policy.

This relationship was assiduously cultivated by Henry Kissinger, particularly after he became Secretary of State in 1973. James Akins, the State Department's energy expert and a vigorous advocate of closer ties with the Saudis, was sent to Riyadh as US ambassador. Kissinger had the National Security Council (which he still headed) develop a strategy to increase US exports to Saudi Arabia and insure the flow of Saudi investment income to the US. The explosion in oil prices and Saudi revenues after 1973 required and at the same time made possible a truly "special" relationship.

Financial and Commercial Aspects

Saudi Arabia is now the seventh largest customer for US exports in the world.* US commodity sales (not including military) increased from $442 million in 1973 to $4.9 billion in 1979 and a projected $6 billion in 1980[2]. Merchandise sales to Saudi Arabia, large as they are, have not compensated for the rising volume and cost of oil imports. However, if military sales and export of US services (chiefly fees for construction and engineering companies), oil company profits and dividends, and Saudi investment funds in the US are considered, the US has benefitted from a net capital inflow of $5.1 billion per year over the 1974-78 period, the latest for which figures are available.

Saudi contracts currently represent about 87 percent of total US contracts in the Middle East. According to Saudi officials, US firms and government agencies were awarded $23 billion in contracts through late 1978,[3] and another $7.6 billion through mid-1980. The Saudi government is responsible for the kingdom's internal and external investments, including selection of major contractors. Government spending totalled some $200 billion over the 1975-80 period, and is expected to double over the next five years. The respective Five Year Plans will go from $142 billion to $235 billion, leading the *Middle East Economic Digest* to comment that "the great investment and spending machine set up in 1975-80 has a momentum that is virtually unstoppable."

Recent pessimistic accounts of trends in the Saudi market reflect the decline of the US share from its historic one-fourth to about one-fifth of the total. This has been particularly acute in the construction sector (representing about 85 percent of the gross capital formation in the kingdom in recent years), where the US share of contracts has dropped from 9 percent in 1975 to 3 percent today.*

This picture, though, misrepresents the strategic place that US firms have secured in the Saudi economy, starting with the very formulation and supervision of the Five Year Plans. US firms are most frequently selected to supervise and manage the industrial infrastructure now being installed. Ralph M. Parsons Company is managing the huge Yanbu industrial city. Arabia Bechtel drew up the master plan for the even larger Jubail industrial city, and is responsible for its construction. Bechtel also has the $3.5 billion Riyadh airport job. Aramco is responsible for the $16 billion gas-gathering system that will provide fuel and feedstocks for these sites, and has let the major subcontracts to Fluor Corporation, Foster-Wheeler, Parsons and Santa Fe International. Of the multi-billion dollar petrochemical industries being set up as the core of Saudi Arabia's industrial future, most represent investments by US firms, including the Aramco partners (Exxon, Mobil, Socal and Texaco), Shell (US), Dow Chemical, Union Carbide, Texas Eastern and Celanese Corporation.** It is these large projects, undertaken in joint venture with the state-owned Saudi Arabian Basic Industries Corporation (SABIC), which carry with them entitlements to Saudi oil, currently projected at 500 barrels a day for each $1 million invested.

The predominance of US firms in the centerpiece projects of Saudi industrialization carries over into another major contract arena, for operation and maintenance of facilities once constructed. Maintenance costs at Yanbu are already $149 million per year. Observers on the scene think it is extremely unlikely that Saudis will ever be performing maintenance and service jobs themselves. One of the larger contracts in 1979 was $671 million for a California consortium to manage and operate the new naval base and headquarters at Jubail. Whittaker Corporation, a California conglomerate with a base in aerospace and metals technology, parlayed connections with the Saudi Ministry

* Saudi Arabia now accounts for fully four percent of the exports of all the industrial (OECD) countries combined.

* Even the share of US firms in contracts let by the Army Corps of Engineers has dropped from 35 percent in 1977 to 5 percent currently.

** Another petrochemical plant is contracted with a Japanese consortium headed by Mitsubishi. The Jubail steel plant is a project of West Germany's Korf, and a Taiwan firm is responsible for a large fertilizer plant.

US-Saudi Arabia Balance of Payments (in $ millions)

Year	US Payments for Saudi Oil[1]	Flow of Saudi Funds to the US				
		Total	Commodity Exports	Mil. sales,[2] Services	Oil Co. Profits and Dividends	Investment Funds
1974	1,671	8,486	835	629	1,802	5,220
1975	2,625	7,124	1,501	832	1,241	3,550
1976	5,213	10,589	2,774	1,498	1,840	4,477
1977	6,358	11,016	3,575	2,179	2,090	3,172
1978	5,307	10,060	4,370	2,141	2,010	1,539

Source: **Middle East Economic Survey,** *September 24, 1979.*

[1] The only other substantial source of US payments to Saudi Arabia is investment income. *Total* investment income on all Saudi foreign assets run from an estimated $1,305 million in 1974 to $5,750 million in 1978. The portion of this income which comes from the US cannot be determined from the available figures.

[2] The military sales component here is for goods and services actually delivered in the year in question. As noted elsewhere, US Foreign Military Sales agreements averaged over $5.3 billion per year for the period considered.

of Defense into a contract to manage several military hospitals, despite an utter lack of experience in this field. "Life sciences" now account for 17 percent of Whittaker's sales and 30 percent of its earnings.

It is chiefly in the labor-intensive construction sector that US firms are losing out, although the declining share of US employees among the expatriate workforce is a general phenomenon. The number of US citizens employed by US firms in Saudi Arabia dropped from 65 percent of the total in 1976 to 35 percent in 1980. In the expanding health care field, Filipino and other Asian doctors and nurses are recruited. Waste Management Corporation, a US firm that picks up Riyadh's garbage for $36 million a year, employs 2700 Indians, only 8 Americans.

Saudi procurement policies favor Saudi-owned firms and firms with at least 50 percent Saudi participation. Nevertheless, US and other Western expatriates are guaranteed key roles in the manufacturing, commercial and service sectors of the Saudi economy for the period ahead. Regulations banning foreign traders and insisting on the use of local agents has produced a superficial "Saudi-ization" of the economy. The largest and most prominent of the new Saudi bourgeoisie—Adnan Kashoggi, Gaith Pharaon, Ahmad Juffali—have made their fortunes by representing major multinationals as local agents for sales commissions ranging as high as 15 and 20 percent.[5] Joint ventures represent a legal cloak whereby Saudis—including the princes of the royal family—lend their names and often capital to operations that go on pretty much as traditional direct foreign investments. In the commercial sector, "salesmen and middle management executives . . . are the lubricant which keeps Saudi business going . . . expatriates make the vital decisions on purchasing." In banking and finance, "functional decisions about money management in many cases are still following the old pattern when the Saudi-ized banks were branches of foreign banks."

Another growing contract field for US firms is "manpower training." It is part of every major contract, and is frequently responsible for the repeated renewal of contracts. It represents a major concern of the US-Saudi Joint Economic Commission. Currently a boon to US companies, its future effectiveness is open to question. "Manpower training—what does it mean," asks US commercial attaché James Savery. "We are looking to sell well in teaching aids and that kind of thing, but how the overall plan will achieve the goals is unclear at this point."

Corruption

The question of joint ventures and Saudi Agents is closely related to the politically sensitive matter of corruption. The big Saudi bourgeoisie have achieved their present status primarily because of their close ties with the royal family—the fathers of both Kashoggi and Pharaon were personal advisors to the king, and Kashoggi is particularly close to Crown Prince Fahd and Defense Minister Sultan. It is this connection which has made him worth billions to Northrop and Raytheon, to name just two of his clients.

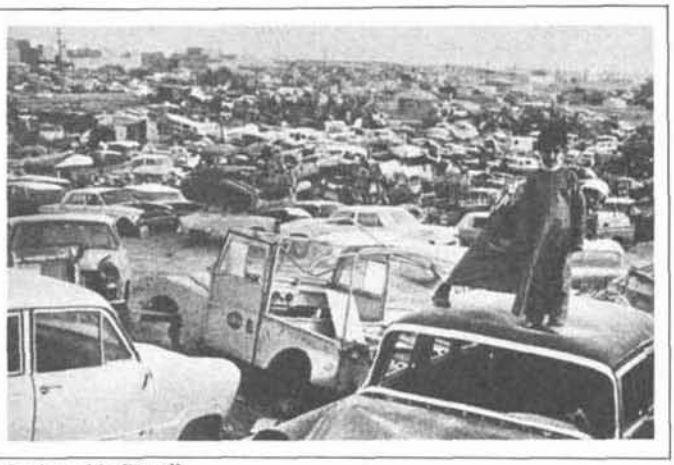
The rapid increase in government spending and the increasingly brazen involvement of the princes at the core of the ruling family have drawn special attention to the fact that corruption was a major grievance of the Mecca insurgents, and lend substance to the view of one US expert that "the royal family lives on a knife's edge" in this regard.[6] Crown Prince Fahd issues anticorruption decrees about as frequently as he announces new plans to broaden political participation, and with about as much effect. Fahd himself has been known to drop a few million in an evening at the gaming tables of Monte Carlo. His son, Prince Mohammad, probably holds the record for large payoffs and egregious influence peddling.* His ten percent equity in Arabia Bechtel certainly has not hurt that company's successful bids for the Jubail industrial city and Riyadh airport. Bechtel piously insists they cut Mohammad in only "because he looked like a reasonable fellow."[7] A recent interview in the Arab press with Fahd cited the instance of a new company formed by some cabinet ministers' sons, some barely nine years old.[8] The US government reportedly keeps a list of "questionable business practices" and the princes involved.[9]

The increased spending planned for the next five years is not likely to ease this particular dilemma. In addition to company payoffs in the form of commissions and fees, land speculation is another source of large and fast profits. One prince pocketed $2 billion for the land on which Jubail's factories are being built. The Riyadh airport site was worth a reported $8 billion to others. In the words of one Western businessman, "huge unnecessary construction projects are larded into the development blueprints, guaranteeing a

* Prince Mohammad's wheeling and dealing has even been a bit much for papa to swallow. A $7 billion telecommunications project was awarded to the Dutch company Phillips. When it came out that the bid had been awarded without competition and that Prince Mohammad would reap minimally $100 million from the deal, it was cancelled. It was subsequently won by a consortium that included Phillips, for less than half the original bid. Prince Mohammad received a commensurately smaller fee.



US trucks at Saudi port.



Junkyard in Riyadh.

steady flow of large capital projects that generate corrupt payments."[10] In Dammam and Jiddah, "desert sand laps against completed but vacant" high rises; in Riyadh some 23 tower cranes are erecting still another such complex.[11] All this has produced a rather rudimentary boosterism among the princes. "Wealth is not necessarily a bad thing," Prince Mohammad bin Faisal told the *Journal of Commerce*. "If you are good, the more good you can do with wealth."

The Saudi Oil Industry Today

Saudi oil now represents some 13.2 percent of the capitalist world's consumption. The regime's commitment to heavy spending in the period ahead locks it into a rate of production in the present 8.5-9.5 million barrel a day range.

Aramco produces more than 97 percent of Saudi output, and presently markets some 7 million barrels a day. Internal consumption and direct sales by the state company, Petromin, account for more than 2 million barrels a day additional. Most of Petromin's 1.5 million barrels a day in sales contracts have been arranged since 1979—France, West Germany, and Spain are the chief customers. The recently announced completion of the nationalization of Aramco could mean a further increase in Petromin sales, with less available for the Aramco partners.

For the moment, though, Aramco is doing quite well. The current profit margin of between $1.20 and $1.30 a barrel adds up to more than $4 billion per year at current rates of production.[12] Aramco's increased involvement in the industrialization projects has resulted in the expansion of its workforce by 25 percent, to 38,000.[13]

Petromin's activity in the oil market marks the direct involvement of the royal family in oil sales for the first time. Opportunities for graft, from which the oil sector had been relatively insulated, now abound. Princes sell entitlements to state-controlled crude in return for premiums per barrel over and above the official selling price. Exposure led to the cancelling of one such deal in December 1979—100,000 barrels a day to the Italian state-owned ENI, with a premium of $1.26 per barrel going into a Panamanian bank account. Reportedly in response to direct pressures from Crown Prince Fahd, Italian parliamentary investigations have restricted themselves to naming Italians involved in the scandal.[14] A recent Petromin contract with Denmark includes a clause giving Petromin "absolute discretion" to cancel the deal if the Danes bring the Saudi regime or royal family "into disrepute . . . in any manner whatsoever."[15]

These efforts to stifle charges of corruption seem to have only made the premiums more expensive. One recent deal carried a $4.17 premium, of which $2.40 went to "a leading second-generation prince," $1 to a Saudi business associate, and the remainder to European intermediaries.[16] The unprecedented publicity attending these deals reflects the scale of corruption in Saudi Arabia today. It may also be a result of Aramco's interest in heading off further cuts in the amount of oil it gets by exposing the dangerous complications when the Saudis get directly involved in marketing.

Military and Security Aspects

The military relationship of Saudi Arabia with the US is even more exclusive than the commercial and financial one. The US accounts for more than 80 percent of Saudi spending on foreign military equipment and services. In 1978 an estimated 675 US military personnel and 10,000 civilian defense contractor personnel were working in Saudi Arabia. Subsequent contracts for even more sophisticated weapons systems ensures the continued need for large numbers of US personnel in the Saudi military. The main features of the US-Saudi military relationship can be summarized as follows:*

- Sales of military equipment and services exceed commercial sales, averaging over $5 billion per year for the last seven years. As with commercial sales, Saudi businessmen and princes pocket handsome "commissions" on these deals.
- An estimated 50 percent of these military-related sales and contracts are for construction projects. Services, including maintenance and training, account for another 28 percent. Twenty-two percent is for actual hardware and munitions.
- These sales are the consequence of active promotional efforts by the US government as well as weapons manufacturers. While some programs date back to the late 1960s, most have their origins in the Pentagon survey mission of 1974.[17] These sales have the three-fold aim of absorbing and "recycling" Saudi oil revenues to the US economy, establishing a high degree of Saudi military dependence on the US, and providing the infrastructure and facilities for US military intervention if required.
- The US military presence is extensive, permeating all Saudi services: Army, Air Force, Navy and National Guard. It ranges from advisory and training personnel at the battalion and division level to a high-level Pentagon team reorganizing the Ministry of Defense. The US military mission is headed by a general responsible for coordinating US military activities throughout the kingdom, and who reports through the US Commander in Chief-Europe to the Pentagon.
- There appears to be close coordination between US military and civilian personnel working for military contractors. Many of these civilians have themselves recently left military service. Thus, the US Army training mission works with Vinnel Corporation employees (ex-Green Berets with Indochina counter-insurgency experience) in training the National Guard. The USAF group known as Detatchment 22 works with and reviews the activities of the Northrup Corporation connected with the squadrons of F-5 fighters purchased for the Saudi Air Force.
- The labor shortage which plagues the civilian economy is at least as severe in the Saudi military. The labor pool is small to begin with, and the attractions of the civilian sector, especially for skilled personnel, have resulted in severe shortages of trainees, high AWOL rates, and low morale for all the services. It is likely that US military contractors will continue to provide not only advisory and training services, but actually

* For additional information and analysis, see *MERIP Reports* #90, pp. 4-5, 10-11.

fill voids in operations and maintenance for the indefinite future.[18]

- The extent and pervasiveness of the US military presence, and the military and intelligence background of many of the contracted civilian employees, provides the US with an extensive intelligence network throughout the Saudi military. This presence makes any potential *coup* attempt against the regime all the more difficult and unlikely, unless the US were to favor such a move.

The Saudis have made some efforts to supplement their military relationship with the US by entering into specific, relatively specialized agreements with other states. The British Aircraft Corporation has some 2,000 persons working with the Saudi Air Force in training and maintenance. The French have made strenuous efforts since 1973 to carve out a place in the Saudi weapons market, causing the indignant editors of the *New York Times* to insist once that Washington "demand that France call off its Mirage peddlers."[19] From all appearances, the Europeans have managed to lessen Saudi military dependence on the US hardly at all, but have contributed to the segmentation of the Saudi military on the basis of training and supply relations with particular weapons manufacturers. According to the *Financial Times*, the army's strength is concentrated in two heavily armored units, one equipped with M-60 battle tanks, the other with French AMX-30s, "each with its own distinct support group." The air force is "still to a large extent a collection of units built around different aerospace companies, and has no solid administrative base or corps of ground officers."[20] Since the Mosque attack in November, the Saudis have talked with France and West Germany concerning assistance to develop a Saudi counter-terrorist commando unit that could cope with similar incidents in the future.[21]

Other states in the region sell their military services to the Saudis in the form of troops. There have been plausible but unconfirmed reports of Jordanian troops involved in the final seige of the Great Mosque. Sources in Washington recently disclosed that a division of 10,000 Pakistani troops are or soon will be stationed in Saudi Arabia in return for some $1 billion in military and economic aid to Zia ul-Haq's regime.[22] Saudi denials are quite unconvincing, and in any case they pointedly fail to mention the number of Pakistanis already serving in military capacities in Saudi Arabia, particularly in the Air Force.

South Korea is also playing a role in Saudi internal security. Most of the 75,000 or more Korean contruction workers in the kingdom are recently demobilized soldiers and officers, still comporting themselves in a most disciplined fashion.* Saudi Interior Minister Prince Nayef led a high-level delegation of military and security officials to Seoul in July 1979 for a six-day visit. "Security issues common to the two countries" were a major topic of discussion. Although no details were provided, the visit ended with the Koreans agreeing to supply equipment and training programs for Saudi security personnel.[23]

* See Nigel Disney, "South Korean Workers in the Middle East," *MERIP Reports* #61 (Oct. 1977).



Brzezinski visits Fahd in Riyadh, February 1980.

Political Complications in US-Saudi Relations

In late January 1980, a CIA analyst called in two reporters from *Newsweek* and the *Washington Star* to confirm that the Agency had recently warned the Carter Administration that the survival of the Saudi regime "could not be assured beyond the next two years."[24] Crown Prince Fahd, the analyst reported, might well be replaced by Prince Abdullah, head of the National Guard and regarded in Washington as "a tough ultra-nationalist."[25] The fact that the briefing was initiated by the CIA suggested that someone inside the Agency wanted it publicized.

National Security Advisor Brzezinski definitely did not share this interest. He was about to leave for Riyadh (via Pakistan) to drum up support for the Carter Doctrine and US bases in the Middle East. A hastily arranged lunch with *Newsweek*'s editors kept the story out of its pages except for a guarded reference weeks after Brzezinski's return. The *Star* never did publish the story. This was the second time in less than a year that high-level US concern with differences inside the ruling family came embarassingly to the fore. Stories written from Washington in April 1979 concerning Fahd's "declining influence" led to Saudi expulsion of the CIA station chief in Riyadh.[26]

The political complications in US-Saudi relations have grown more acute as regional and internal pressures on the regime have mounted. A greater degree of polarization within ruling circles, precisely over the balance between Saudi Arabia's Washington connection and ties with its Arab neighbors, has followed on US impotence in dealing with the revolution in Iran and Washington's sponsorship of the separate Egyptian-Israeli peace treaty. This is obliquely reflected in the latest source of irritation, the Saudi demand for bomb racks and other equipment that would accent the offensive capabilities of the F-15 fighter-bombers already contracted for.

This request follows directly on Brzezinski's talks with

Saudi leaders on his way home from posing with Afghan tribesmen at the Khyber Pass. While Brzezinski sat in Riyadh, some 200 miles to the east, near the key oil production points, shops were closed and streets empty in the wake of fresh popular unrest directed at the ruling family and its relationship with the US. Brzezinski reportedly told Saudi officals that "for the defense of Saudi Arabia, we will do anything."[27]

Official Saudi arguments that this new equipment is needed to cope with new threats following the Soviet intervention in Afghanistan are specious. The general incapacity of the Saudi military to cope with threats to the regime was made transparent by its feeble response to the fighting in Yemen in early 1979, and again by the weak performance during the Mosque takeover.

Rather, the request is a test of the US connection, a gauntlet thrown down by the regime under pressure from those within it who doubt the wisdom and viability of the "special relationship." Both Saudi officials and US diplomats in the kingdom anonymously assert that the request is in response to pressures "within the military leadership."[28] In Saudi Arabia, the military leadership is indistinguishable from the officer-princes within or close to the center of power. Since the US is unable to produce an acceptable Palestine settlement, the question of arms supplies is made to bear extraordinary political weight. "We will do anything," Brzezinski boasts. "Put up or shut up," the skeptical princes reply.

The present intersection of political contradictions in Saudi Arabia and the US concerning the nature and extent of the "special relationship," fatefully and irreversibly intertwined as it is with the Palestine question, produces a US policy more than a little reminiscent of policy in Iran in the last years of the Shah. Even the code-words are the same: Saudis committed to the US connection are regarded as "modernizers;" the skeptics are lumped together as "traditionalists." Those Saudis most committed to the "special relationship" are still dominant, but under challenge as never before. They have endeavored to shift the weight of the relationship to the less sensitive arena of military supplies. The consequences will likely include a superficial defeat for "the Zionist lobby" in the US, but no solution to the dilemmas posed by Shi'i unrest. It only complicates further the social and political stresses that led to the Mosque insurgency.

FOOTNOTES

[1] *Foreign Relations of the United States*, 1945, VIII, p. 45. The information and analysis in the following discussion is provided in more detail in my *Middle East Oil and the Energy Crisis* (New York, 1975).

[2] Figures and quotes in this section, unless otherwise noted, are from *Middle East Economic Digest*, Special Report on Saudi Arabia, July 1980. Hereafter cited as *MEED* Special.

[3] *MEED*, December 22, 1978.

[4] *New York Times* (NYT), February 25, 1980.

[5] Tewfik Mishlawi, "The Empire Builders," *The Middle East* (October 1978), pp. 86-93; *Business Week*, December 7, 1974.

[6] *NYT*, April 16, 1980.

[7] *Ibid.*

[8] *Washington Star*, January 9, 1980.

[9] *NYT*, April 16, 1980.

[10] *Ibid.*

[11] *MEED* Special.

[12] *Middle East Economic Survey*, May 26, 1980.

[13] *MEED* Special.

[14] *Saudi Arabia Newsletter* (London), January 28-February 10, 1980.

[15] *Financial Times* (FT), May 23, 1980.

[16] *FT*, April 9, 1980.

[17] *NYT*, November 2, 1974; *Washington Post (WP)*, November 7, 1974.

[18] House Foreign Affairs Committee, Staff Survey Mission Report, *US Arms Policies in the Persian Gulf and Red Sea Areas: Past, Present and Future*, December 1977, pp. 17-49.

[19] May 16, 1979.

[20] *FT*, April 28, 1980.

[21] For example, see *Foreign Broadcast Information Service*, May 9, 1980, p. C5.

[22] *NYT*, August 20, 1980.

[23] *Korean Herald*, July 13, 18, 1980.

[24] *WP*, July 22, 1980.

[25] This description is offered in *Fortune*, March 10, 1980.

[26] *WP*, April 15, 1980.

[27] *Washington Star*, July 18, 1980.

[28] *Ibid.*

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Misrepresenting the Iranian Revolution

by Hassan Zavareei

Iran: Inside the Islamic Republic
Produced by Bigan M. Saliani
Aired on the Public Broadcasting System, June 7, 1980.

In the opening scene of this film, the wife of one of the US hostages in Tehran, Bonnie Graves, calls upon the United States "to at least examine what had taken place in Tehran, in American-Iranian relations over the period from the Shah to the present." This is apparently the objective of Bigan Saliani, a US-trained Iranian film maker sympathetic to the Islamic Republic.

With skillful and vivid cinematography, Saliani presents many moving scenes from the revolutionary uprising of 1978-79, some of the best documentary footage, in fact, to come out of those remarkable events. We are there for the mass demonstrations, for the street battles between troops and unarmed demonstrators. We witness the guerrillas rushing to battle the Shah's crack troops, the so-called Immortal Guards. Saliani captures that moving moment when many political prisoners were freed and fervently greeted by huge crowds. We are told of the trial and magnificent defense of the poet-martyr Gol-e-sorkhi, as related by a close comrade. We see the mother of Homayoun Katiraiee repeat to a huge, applauding Fedayi demonstration her son's last words: "Don't blindfold me, so I can see the executioners' trembling hands."

Saliani's film also offers an overview of contemporary Iranian history through the skillful use of historical footage and still shots. In this way Saliani introduces American viewers to the colonial rivalry between tsarist Russia and Britain in the nineteenth and early twentieth century as the background to the Constitutional Revolution of 1904-09. Similarly he presents the establishment of the Pahlavi regime by the British, and the subsequent unceremonious removal of Reza Shah in 1941 for edging too close to Hitler, and his replacement by his son, Mohammad Reza. Saliani juxtaposes incredibly crass cold war era US newsreel coverage of the Mossadeq period with a narrative of Mossadeq's movement to nationalize Iran's oil industry and of the 1953 *coup* against him engineered by the CIA and the British.

In spite of its length and resources, and the inclusion of these marvelous ingredients, however, the documentary distinctly fails to convey an accurate picture of the dynamics at play within the Islamic Republic. The Kurdish national minority, for example, has been waging a major struggle for autonomy within a united and democratic Iran for more than a year, but Saliani would have us believe that the national question has been amicably resolved. We learn nothing of the sharp power struggle which began almost immediately after the collapse of the old regime. There is no discussion of increasing support for the left and other secular forces, a process that has prompted the new authorities to impose thorough press censorship and to close the universities indefinitely. We are left in the dark about the formation and operation of workers' councils that sprang up in every workplace and brought the economy to a near-total halt. There is no discussion of the different political tendencies in the councils, or of the fact that the Islamic Republic has tried to dismantle most of them.

Saliani's assumption in this film is that all social and political movements in contemporary Iran are motivated by Islamic ideology and led by the clerics. True, the clergy has played a substantial role, both progressive and reactionary, in modern Iran. But from the 1953 *coup* to the 1978-79 uprising the most persistent fighters against the Shah and his imperialist allies were the university students, especially those of Tehran University. On November 4, 1953, shortly after the *coup*, when then-Vice-President Richard Nixon visited the Shah to confirm US support, students from Tehran University defied authorities and launched a pitched battle with government troops. Three students were killed and many wounded, and troops proceeded to ransack the university. Students continued the struggle under the most difficult conditions. Since then, November 4 has frequently been commemorated as Student's Day with political rallies that have led to more clashes and university closings.

Out of such struggles emerged the People's Mujahidin Organization and the Organization of People's Fedayi Guerrillas. These organizations were critical in laying the groundwork for mass uprisings that finally brought down the regime, by demonstrating the vulnerability of the Shah's boastful regime.

Politics of Distortion

Saliani's failure to note these and other significant factors cannot be ascribed merely to limitations of time. The film includes lengthy and redundant scenes that could have profitably been cut. Rather it lies with Saliani's political perspective.* The history of social and political movements

* Saliani has a long history of close collaboration with CIS (Confederation of Iranian Students), which is affiliated with the Toiler's Party, and for which he has produced at least two documentary films in Farsi. It is this, and not his religious beliefs, that account for his uncritical support for the Islamic Republic.

in twentieth century Iran has been squeezed into the procrustean mold of the notorious Three Worlds Thesis, with its notion that the Soviet Union, not the US, constitutes the main danger for Iran. We are presented with an Iran united under the banner of Shi'i Islam, without contradictions, class or minority conflicts, or political struggle.

Democracy is indeed spreading, but in the face of extremely repressive measures by the government. Since this reality is too prominent to be overlooked, there is an obligatory genuflection to the existence of discord in a brief aside near the end about "dozens of groups," lumped together as "left, far left, moderate, trade union, Fedayi, Marxist, Islamic, Christian, Jewish"! This ridiculous juxtaposition suggests that the Fedayi and Mujahidin were born yesterday, with no history of years of courageous struggle, and of no more consequence than "Christian" and "Jewish" opposition, of which there is no evidence at all.

This sleight-of-hand pervades the film. When we are told of the poet Gol-e-sorkhi's defiance under torture, we are not informed that he was a Marxist, nor that the large gathering we witnessed was organized by the Fedayi.* Moving scenes of the political prisoners are not accompanied by the information that nearly all political prisoners under the Shah were from the Fedayi or Mujahidin. We are not told that Homayoun Katiraee belonged to the Fedayi, or that the enormous and enthusiastic crowd his mother addressed was a Fedayi demonstration at Tehran University. We are presented with what can only be a conscious and systematic distortion of the facts, aimed at denying the existence of a substantial left force in Iran today which rejects the Three Worlds Thesis.

While Saliani dismisses progressive forces, secular and religious alike, he creates revolutionaries out of some of the most backward and conservative personalities, such as Ebrahim Yazdi. Forced to resign as Foreign Minister after he had met quietly with Zbigniew Brzezinski in Algiers, Yazdi is suddenly endowed by Saliani with a 20-year record of anti-Shah activity in the US! Similarly, Ayatollah Shariat-madari is credited with inspiring millions of Iranians in the north to rebellion, when in fact he was promoting a constitutional monarchy and advising moderation down to the last days of the old regime.

Not surprisingly, Saliani avoids any class analysis of the revolutionary uprising. Instead he regurgitates notions peddled by the US media—that "martyrdom" is an integral cultural component of Shi'i Islam, while showing crowds ceremoniously flailing themselves, for instance. One wonders what Saliani would find to explain the motivations of millions of Vietnamese, Nicarguans, and South Africans in their struggles. None of the Iranian personalities he promotes make any reference to imperialism. One would never suspect that a major slogan after the fall of the Shah was "It is imperialism's turn now."

The film's message, in essence, is that the Islamic revolution in Iran is a completed fact of life, with reasonable and "moderate" leaders in place. It would thus be in the interest of the US to arrive at a mutually beneficial relationship that would keep the Soviet bear at bay. The film is testimony to Saliani's mastery of the contortions necessary to arrive at this conclusion while appearing to support the revolutionary aspirations of the Iranian people.

* A large banner on the wall declares in Farsi: "We will turn all of Iran into a Siahkal."

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Errata: In Robert Dillon's review of Fred Halliday on Iran (*MERIP Reports* #88) the second sentence of the second paragraph on p. 28 should read: "It would also show the popular journalistic notion of the religious movement as a 1300-year historical regression to be no less a misrepresentation than would have been a contemporary characterization of the Reformation as a 1500-year backward clock-turning simply because the participants felt themselves to be returning to the purity of the early Christians."

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